

FILE COPY

AGRICULTURAL OUTLOOK

Economic Research Service
United States Department of Agriculture

October 1994

WORLD OILSEED TRADE

SUNNY PROSPECTS?

AGRICULTURAL OUTLOOK



Departments

3 Agricultural Economy

Sustainable Agriculture In
the Coming Decade
Commodity Overview
News Watch

Skip Hyberg & Parveen Setla

15 Commodity Spotlight

Global Oilseed Trade Headed
for 1995 Record

Jaime Castaneda

19 World Agriculture & Trade

Near-Record U.S. Ag Exports for 1995

Joel Greene

21 Farm Finance

Farm Income Prospects Improve

Bob McElroy

23 Food & Marketing

Moderate Food Price Increase In 1994

Howard Elitzak

Special Article

26 Japan Remains Strong Market for U.S. Ag Exports

Lola Caplan & Fawzi Taha

Statistical Indicators

30 Summary

31 U.S. & Foreign Economic Data

32 Farm Prices

33 Producer & Consumer Prices

35 Farm-Retail Price Spreads

36 Livestock & Products

40 Crops & Products

44 World Agriculture

45 U.S. Agricultural Trade

48 Farm Income

53 Food Expenditures

53 Transportation

54 Indicators of Farm Productivity

55 Food Supply & Use

Economics Editor—Cathy Greene (202) 501-8542
E-mail: CGreene@ERS.Bitnet

Associate Editors—Nathan Childs (202) 501-8540 and
Nancy Morgan (202) 501-8511

Managing Editor—Mary Reardon (202) 219-0566

Overview Coordinators—Stephanie Mercier, Carol Whittan, Field
Crops; Leland Southard, Agnes Perez, Livestock; John Love,
Specialty Crops

Statistical Coordinator—Ann Duncan (202) 501-8541

Design & Layout Coordinator—Victor Phillips, Jr.

Editorial Staff—Trina J. Myers

Tabular Composition—Joyce Bailey, Cilola Peterson

Time to renew? Subscription expires in the month and year indicated
on the top line of address label. To renew call 1-800-999-6779.

The contents of this magazine have been approved by the World
Agricultural Outlook Board and the summary released September
20, 1994. Price and quantity forecasts for crops are based on the
September 12 World Agricultural Supply and Demand Estimates.

Materials may be reprinted without permission. *Agricultural Outlook*
is printed monthly except for the January-February combined issue.

Annual subscription: \$42 (\$52.50 for foreign addresses, including
Canada). Order from ERS-NASS, 341 Victory Drive, Hemdon, VA
22070. Or call toll free, 1-800-999-6779 (U.S. and Canada only).
All other areas, please call (703) 834-0125. Make check payable
to ERS-NASS.

The next issue of *Agricultural Outlook* (AO-213) is scheduled for
mailing on November 4, 1994. If AO-213 is not delivered by
November 28, call the managing editor at (202) 219-0566 (be sure
to have mailing label handy). The full text of AO-213 will also be
distributed electronically; information is available at (202) 720-9045.

Global Oilseed Trade...Trends in Sustainable Agriculture... The Japanese Market...& Updates on Farm Income & Trade

Farm Income & Trade Outlook

Strong U.S. sales of high-value commodities in fiscal 1995 are expected to push total U.S. export value to \$43 billion, up \$0.5 billion from a year earlier and the highest in over a decade. High-value exports are expected up 2 percent from 1994 to \$26 billion, offsetting the small decline to \$16.9 billion in the value of bulk exports. Despite the prospects for larger exports, the U.S. agricultural trade surplus is projected to decline in 1995. Imports are projected up \$2 billion to \$27.5 billion, due largely to the sharp rise in world coffee prices. Gains in consumer-targeted food products—meats, fruits and vegetables, and processed and prepared foods—will drive the expansion in high-value exports in 1995.

Farmers' net cash income will likely decline 4-6 percent from last year's record \$58.5 billion, as prices drop from 1993's disaster-induced levels. Although 1994 crop and livestock production and receipts are up from last year, government payments are expected to drop back to pre-flood levels. Farmers' and ranchers' production expenses are forecast at a moderate 2-3-percent increase for 1994, with interest, labor, and most other categories likely showing slight increases.

For 1995, net cash income could be steady or move down just slightly from this year, if production and prices drop back to trend levels and expenses continue to moderate. Total farm operator household income is expected up slightly this year, and should continue improving through 1995, due mostly to increased off-farm income.

Momentum for Sustainable Ag

Agricultural and environmental groups have been forging common ground in recent years in defining what constitutes sustainable agricultural systems. Many now agree that more flexibility in crop rotations, less reliance on synthetic chemicals, and better management of animal



waste and crop residue are desirable components of such systems.

Recent trends in the adoption of innovative and alternative practices are likely to support broader adoption of sustainable systems over the next decade. For example, crops enrolled in commodity programs reflect a shift toward increased flexibility in crop rotations since 1990, when Congress built more flexibility into the programs.

Food Prices Show Small Rise

Abundant supplies of most farm commodities are likely to continue restraining food prices through the end of this year and into 1995, with coffee the only major source of food price inflation. The Consumer Price Index (CPI) for food is forecast to rise 2-3 percent in 1994, slower than the overall rate of inflation, but probably up slightly from 1993's 2.2-percent increase.

The small rise in food prices in 1994 reflects moderate increases in packaging, transportation, and other marketing costs. The effects of the curtailed coffee crop will persist into 1996 and provide the

main impetus for higher food prices next year. However, aggregate food prices will likely continue to increase at a slightly slower pace than the overall rate of inflation.

Record Trade for Oilseeds

Global soybean export volume is expected to rise sharply in 1994/95, and overall oilseed trade could reach a record high in response to the abundant supplies forecast for major producing countries and higher demand in importing countries. Global consumption is expected up due to the strengthening Eastern European economies, income and population growth in developing countries, and a more favorable soymeal/grain price ratio in the European Union.

Global production of oilseeds in 1994/95 is projected at a record 246.4 million metric tons, up 9 percent from last year. Global production of soybeans—which will account for about 50 percent of total oilseed output—is projected at a record 127.2 million tons. Much of the gain in global soybean production is expected in the U.S., where output could total a record 63 million tons. Global production prospects have already begun to put downward pressure on world oilseed prices.

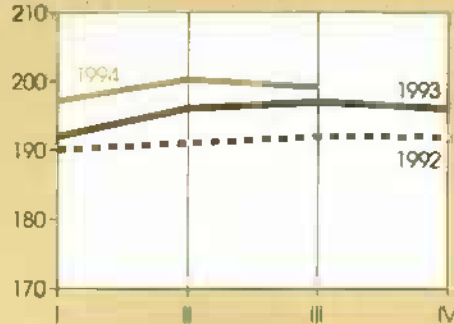
Changing Japanese Market

U.S. farm sales to Japan—the largest export market for U.S. food growers and processors—are projected to set another record this year. Japan is likely to remain a promising market through the end of the century, although changing consumer attitudes, purchasing power, and dietary preferences will continue to alter the composition of U.S. farm exports to Japan. In addition, the U.S. will face stiffer competition in the Japanese market from other exporters as trade barriers are eliminated. Changes in Japanese food consumption patterns will boost imports of high-value products as a share of total imports.

Prime Indicators

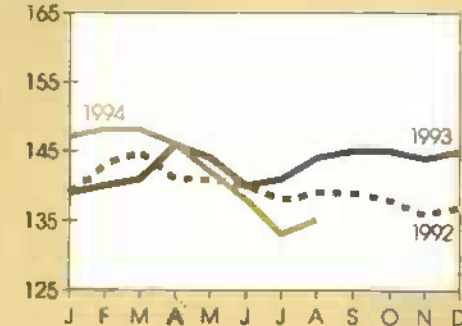
Index of prices paid by farmers

1977=100



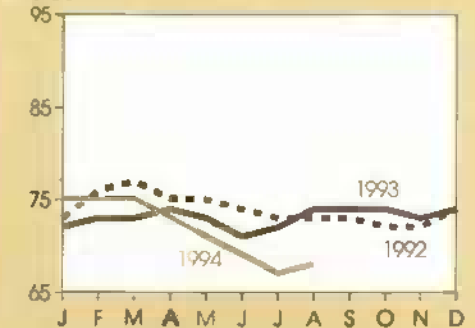
Index of prices received by farmers¹

1977=100



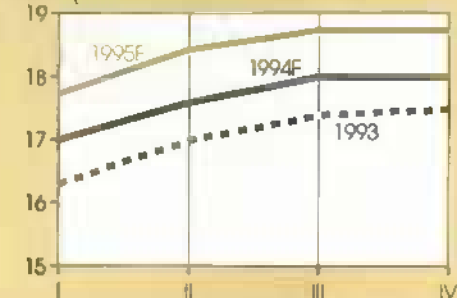
Ratio of prices received/prices paid

Percent



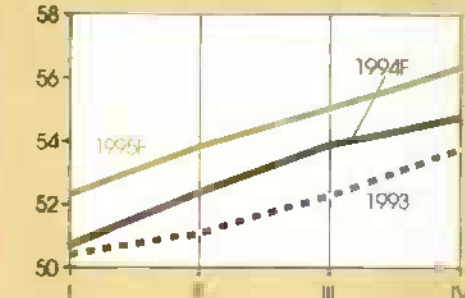
Total red meat & poultry production²

Billion pounds



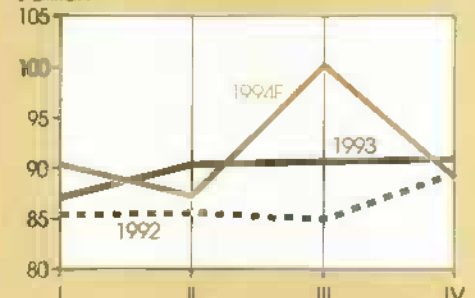
Red meat & poultry consumption, per capita^{2,3}

Pounds



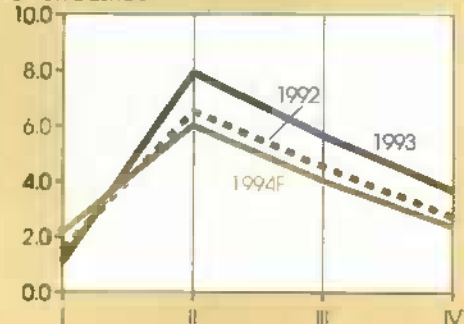
Cash receipts from livestock & products⁴

\$ billion



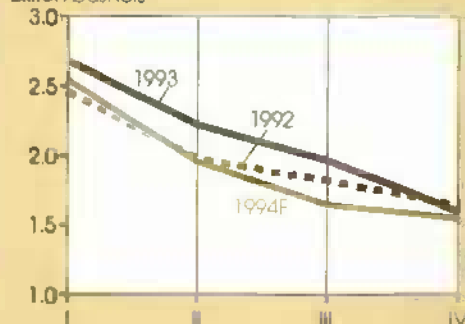
Corn beginning stocks⁵

Billion bushels



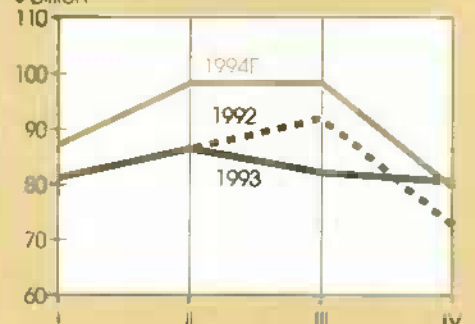
Corn disappearance⁵

Billion bushels



Cash receipts from crops⁴

\$ billion



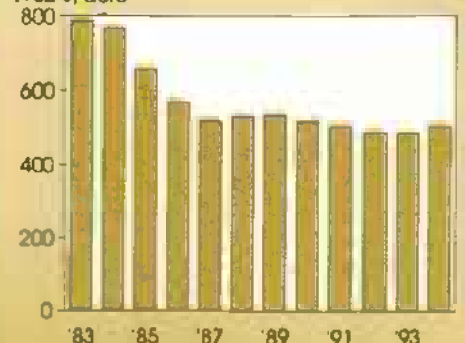
Farm loan interest rates

Percent



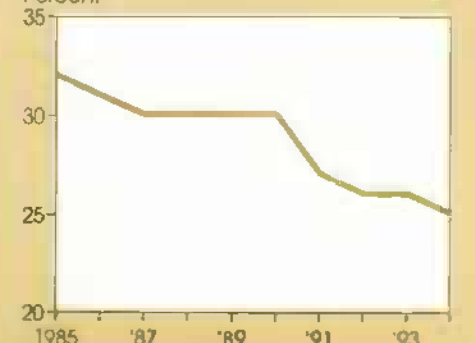
Average real value of farm real estate

1982 \$/acre



Farm value/retail food costs

Percent



¹ For all farm products

² Calendar quarters

Future quarters are forecasts for livestock, corn, and cash receipts

³ Retail weight

⁴ Seasonally adjusted annual rate

⁵ I=Sept.-Nov.; II=Dec.-Feb.; III=Mar.-May; IV=June-Aug

Marketing years ending in year indicated

Agricultural Economy



Leopold Center for Sustainable Agriculture

Sustainable Agriculture in The Coming Decade

The sustainable agriculture movement will continue its momentum over the next decade in response to broad and increasing public support for the development of sustainable food production systems. Agricultural and environmental groups have been forging common ground in defining what constitutes sustainable agricultural systems, emphasizing more flexibility and management and fewer synthetic chemicals. Broader adoption of these systems is likely to reflect recent trends in the adoption of innovative and alternative practices.

Agricultural policy in the U.S. has reflected some concern about agricultural sustainability for over half a century. For example, a primary motivation for establishing USDA's Soil Conservation Service in the 1930's was concern over the loss of cropland productivity due to soil erosion. Concern about agriculture's long-term future has also been evident in questions about the stability and development of rural communities, the unintended effects of chemical use, and

implementation of disaster assistance. While public opinion has shifted over time as more information on the environmental effects of agricultural production has developed, and as the structure of agriculture has changed, some constants remain.

- Concern over the ability of agriculture to continue to provide food and fiber in an environmentally sound manner is reflected by the long history of conservation and environmental objectives contained in U.S. agricultural policy.
- The economic viability of farm production systems is as important to agricultural sustainability as the use of environmentally sound production techniques—without economic viability, agricultural systems are not sustainable.
- The public, which may have difficulty describing sustainable practices and systems, can often reach rapid agreement on what is unsustainable. The broad public support for eliminating DDT, once its effects were documented and explained, is the prime example.

The predecessor of USDA's current sustainable agriculture initiatives was the Low-Input Sustainable Agriculture program (LISA) which, in turn, descended from previous initiatives. Evolution from the earlier sustainable agriculture initiatives in USDA to the current set is marked by technological change and increased attention to the economic viability of the proposed systems, as well as by a broadening of the audience.

The diversity of viewpoints represented by the growing number of organizations which voice support for sustainable agricultural systems demonstrates the broad interest, but prevents the acceptance of any simple and singular definition of these systems. The organizations include environmental groups such as the Sierra Club, the National Wildlife Federation, and Greenpeace; commodity and producer groups such as the American Soybean Association and the National

Association of Wheat Growers; and trade groups such as the National Grain and Feed Association and the National Food Processors Association. Other organizations not necessarily associated with agriculture—the Petroleum Institute, for example—also submit views.

What do each of these organizations have in common? All agree that the agricultural systems employed by farmers and ranchers should be sustainable. Each organization has an interest, be it economic or philosophic, in how agricultural production systems are made sustainable. The depth and breadth of these positions range from detailed position papers, to statements expressing agreement with another organization's position.

A major area of disagreement is in how sustainable agriculture is defined. The Food, Agriculture, Conservation and Trade Act of 1990 (FACTA) provides a definition, but little guidance. FACTA defines sustainable agriculture as an "integrated system of plant and animal production practices having a site-specific application that will over the long term, satisfy human food and fiber needs; enhance environmental quality and the natural resource base upon which the agricultural economy depends; make the most efficient use of nonrenewable resources and onfarm resources and integrate, where appropriate, natural biological cycles and controls; sustain the economic viability of farm operations; and enhance the quality of life for farmers and society as a whole."

One difficulty with using this statutory definition to assess alternative production systems is that it is too broad and does not suggest that there are tradeoffs between objectives. But despite the wide range of perspectives on what defines sustainability, and the generality of the statutory definition, broad areas of agreement remain. The positions taken by various groups share a number of common elements in describing sustainable agricultural systems, including the following:

Agricultural Economy

- *Less pesticide and fertilizer use* is preferred to more.
- *More flexibility* in crop rotations, agricultural systems, and policies is desirable.
- *Better management* of animal waste and crop residue could provide nutrients for crops as well as reduce erosion and chemical runoff into surface waters.
- *Integration* of new products, production techniques, natural control systems, and other innovations into the agricultural production process is desirable.

The reasons various groups embrace these points may differ, and the strength of their support for the components varies. Some, for example, may support reduced chemical use for environmental or health-related reasons. Others may give more weight to the lower costs of using a smaller volume of purchased inputs. Sustainable agriculture initiatives need to build upon shared objectives while recognizing the legitimate concerns of the spectrum of groups.

Perhaps the greatest challenge is developing reliable information to determine which agricultural systems are more sustainable. Interactions between production practices and the environment are often driven by site-specific factors such as soil or drainage conditions. If the critical factors driving the relationships between agricultural practices, productivity, financial performance, and environmental consequences can be identified, then the tradeoffs involved in moving from one system to another can be made explicit. Informing farmers and other decision makers of the economic and environmental consequences of alternative production systems will improve the decision-making process.

It is important to recognize that some conventional agricultural practices can be sustainable and that some alternative practices may not be. Comparing a conventional system and an alternative reduced-tillage system incorporating residue management provides an example.

Assuming that the systems are equally profitable, the residue management system typically reduces soil erosion but may require heavier application of pesticides. Which system is more sustainable—the system with less erosion or the system using less pesticides? The trade-off between erosion and chemical use can be quantified, allowing the discussion to move from conventional versus sustainable agriculture—two poorly defined concepts—to tradeoffs between erosion and specific agricultural chemicals.

Progress Toward Common Goals

The direction of sustainable agriculture in the near future will likely reflect the trends and adoption patterns of innovative practices currently in use. A number of sustainable agricultural practices being used now have a reasonable chance of broader adoption in the next decade. These practices cannot be directly attributed to a specific set of state or Federal initiatives, but are the result of a broad array of influences. However, adoption of some of these practices indicates some movement towards the common goals shared by those interested in sustainable agriculture.

There has been some shift toward increased flexibility in crop rotations. The 1990 Budget Reconciliation Act eliminates deficiency payments to crop program participants on 15 percent of their crop acreage bases. The acres not receiving deficiency payments are called "normal flex acres" and can be planted to any program crop, or an approved flex crop, without loss of program crop acreage base. This permits farmers more flexibility in crop selection, allowing adoption of alternative rotations.

An examination of cropping patterns on flex acres shows between 4 million and 6 million acres have been shifted from program to nonprogram crops. While this change constitutes at most 22 percent of the normal flex acres and less than 2 percent of the cropland used for crops, the shift suggests increased flexibility in crop rotations, a component of sustainable systems.

Better management of crops and crop residues have reduced water-induced soil erosion. Preliminary examination of the National Resources Inventory (NRI) indicates that water-induced soil erosion on cultivated land declined more than 10 percent between 1982 and 1992. A comparison of the sample points that were in cultivation in both the 1982 and 1992 NRI indicates that the crops and cropping practices selected have changed and the vulnerability to erosion has declined.

Farmers are enrolling in integrated crop and farm management programs. Approximately 890,000 acres have been enrolled in the Integrated Farm Management and the Integrated Crop Management Programs initiated as part of the last Farm Act. These are multi-year programs designed to encourage farmers to adopt integrated farm resource strategies that promote farm productivity while assisting producers in meeting environmental quality standards. Strategies include incorporating legumes into crop rotations to reduce the need for nitrogen applications; integrated pest management; and the adoption of conserving rotations to reduce pests and the need for pesticides.

While the environmental soundness of farming has been an objective of many farmers for decades, the production technologies available and the knowledge of interrelationships between agriculture and the environment has expanded considerably. Economic considerations will restrict the selection among technologically viable alternatives, and uncertainties over the consequences of changing agricultural systems will temper the adoption of new practices. However, the agricultural and environmental concerns that have driven recent changes will continue to move agriculture towards the adoption of more sustainable practices.

[Skip Hyberg (202) 219-0834 and Parveen Setia (202) 501-8515] AO

Field Crops Overview

Domestic Outlook: September Projections For 1994/95

Major field crops are maturing at a faster rate than usual in many regions across the country. And in the Midwest, crop development is well ahead of last year's weather-delayed pace. U.S. feed grain production is forecast 41 percent higher than last year. Output of corn—which accounts for the bulk of feed grain production—is forecast 46 percent above last year. Fueled by favorable growing conditions and record yields, a bumper soybean harvest is projected for 1994.

The corn crop is projected to top 9.25 billion bushels. Crop conditions have improved slightly in the Midwest since August, pushing 1994 yields to 129 bushels per acre. More than 80 percent of the corn crop is judged to be in good to excellent condition for the week ending September 18, a considerable improvement over last year. The corn harvest was 8 percent completed, mostly in southern corn production states, as of September 18.

Prospects of a larger crop are encouraging farmers to move old-crop corn before prices drop further. Lower prices and reduced prospects for competitor corn exports in 1994/95 raised forecasts for U.S. corn exports to nearly 1.48 billion bushels. Feed and residual use of corn is expected to increase in 1994/95 because of an increase in animal numbers, lower prices for corn, and higher prices for wheat which should trim wheat feeding. Season-average prices for corn are forecast in the range of \$2-\$2.40 per bushel, significantly lower than last year's \$2.53.

Sorghum production for 1994 is expected to total 635 million bushels, up from 568 million in 1993. Crop conditions as of September 18 were 60 percent good and excellent, down from 72 percent on

July 31. The share of the sorghum crop which was mature was well ahead of the typical year's level. The majority of the barley crop was in various stages of harvesting as of September 18, with the remainder of the crop in mostly fair to good condition.

A bumper 1994 soybean harvest is forecast at 2.3 billion bushels. Average soybean yields are expected to reach 38.2 bushels per acre. Objective yield surveys reported very healthy pod counts for most of the major producing states, well above those observed during record-yield years. Soybean crop conditions continue mostly good, a vast improvement over last year's generally fair to good condi-

tions. Ninety-seven percent of the crop in Iowa, typically one of the top two producing states, was judged to be in good or excellent condition as of September 18.

Indiana is the only major soybean producing state whose 1994 crop is projected to be lower than 1993. More than 60 percent of the soybean crop in the four largest producing states (Illinois, Iowa, Indiana, and Minnesota) was dropping yellow leaves, as opposed to only 21 percent at the same time last year for those states.

Soybean crush is up 4 percent from 1993/94 levels, due to increased crop size, greater livestock feeding, and

U.S. Field Crops—Market Outlook at a Glance

	Area		Yield	Output	Total supply	Domestic use	Exports	Ending stocks	Farm price
	Planted	Harvested							
	—Mil. acres—		Bu./acre			Mil. bu			\$/bu
Wheat									
1993/94	72.2	62.6	38.3	2,402	3,040	1,241	1,228	571	3.26
1994/95	70.5	62.0	38.1	2,361	3,013	1,182	1,250	581	3.10-3.60
Corn									
1993/94	73.3	63.0	100.7	6,344	8,479	6,355	1,300	824	2.53
1994/95	78.8	71.8	129.0	9,257	10,086	7,010	1,475	1,601	2.00-2.40
Sorghum									
1993/94	10.5	9.5	59.9	568	743	465	200	70	2.33
1994/95	10.2	9.3	68.3	635	705	400	200	97	1.80-2.20
Barley									
1993/94	7.8	6.8	58.9	400	623	419	66	138	1.99
1994/95	7.3	6.8	56.3	385	589	390	60	139	1.85-2.15
Oats									
1993/94	7.9	3.8	54.4	206	426	318	3	106	1.36
1994/95	6.7	4.1	60.0	248	428	300	2	126	1.15-1.35
Soybeans									
1993/94	59.4	56.4	32.0	1,809	2,107	1,362	595	150	6.40
1994/95	61.8	60.7	38.2	2,318	2,471	1,426	675	370	4.75-5.75
			Lb./acre			Mil. cwt (rough equiv.)			\$/cwt
Rice									
1993/94	2.92	2.83	5,510	156.1	202.8	96.5	80.0	26.0	8.08
1994/95	3.36	3.30	5,766	190.3	224.3	102.0	83.0	39.3	5.25-6.75
						Mil. bales			¢/lb
Cotton									
1993/94	13.4	12.8	606	162	20.8	10.4	7.0	3.5	59.00
1994/95	14.0	13.4	682	190	22.6	11.0	7.3	4.4	"

Based on September 12, 1994 World Agricultural Supply and Demand Estimates; U.S. marketing years for exports.

* USDA is prohibited from publishing cotton price projections.

See table 17 for complete definition of terms.

Agricultural Economy

stronger export prospects for soybean meal and oil. Despite rising demand, 1994/95 soybean ending stocks are expected to be up nearly 150 percent from low 1993/94 levels.

U.S. wheat production is forecast at 2.36 billion bushels, down 2 percent from 1993. A 6-percent reduction in winter wheat production is nearly offset by a larger spring wheat crop. Projected lower feed and residual use, due to higher wheat prices and lower corn prices, will allow wheat stocks to increase slightly to 581 million bushels. Exports will increase only slightly to 1.25 billion bushels, reflecting increased demand from China and a reduction in competitors' exportable supplies. The average farm-level wheat price is expected to increase in 1994/95, reflecting a reduction in U.S. supplies, tighter global stocks, and stronger U.S. export prospects.

Forecast 1994 winter wheat production declined in nine of the major wheat producing states. Total winter wheat production is down 5.6 percent to 1.67 billion bushels, due mainly to the 2.3-million-acre decline in area harvested. Among the major producing states, only Kansas

shows a significant production increase over last year. The decline in production is due partially to lower area in major soft wheat producing states, especially Illinois and Missouri, but primarily due to lower yields in the hard wheat producing states (Colorado, Montana, Nebraska, Oklahoma, Texas, and Washington).

The overall spring wheat crop is forecast at 690.9 million bushels, 9 percent over 1993. Durum production is forecast at 97.6 million bushels, up 42 percent from 1993. The increase in durum accounts for approximately half the rise in spring wheat production, as strong prices at planting encouraged a 29-percent jump in area planted. Harvesting of durum in South Dakota was virtually complete, and Montana's harvest was well ahead of normal by September 18. And harvest process for all spring wheat is 8 percent ahead of the 5-year average, almost 30 percent ahead of last year at this time.

Record U.S. rice supplies are forecast for 1994. The 1994 rice crop is forecast at a record high of 190 million cwt, 7 million over the record set in 1981. Higher prices at planting pushed area up 15 percent, while favorable weather buoyed yields to a record 57.7 cwt per acre. As

Court Delays Ethanol Mandate

The legality of a new Federal program requiring the use of ethanol and other renewable oxygenates in a clean-burning gasoline program was challenged by the petroleum industry in a lawsuit filed with the U.S. Court of Appeals for the District of Columbia. On September 13, the court ordered the U.S. Environmental Protection Agency (EPA) to defer its implementation of the ethanol mandate as part of the reformulated gasoline program.

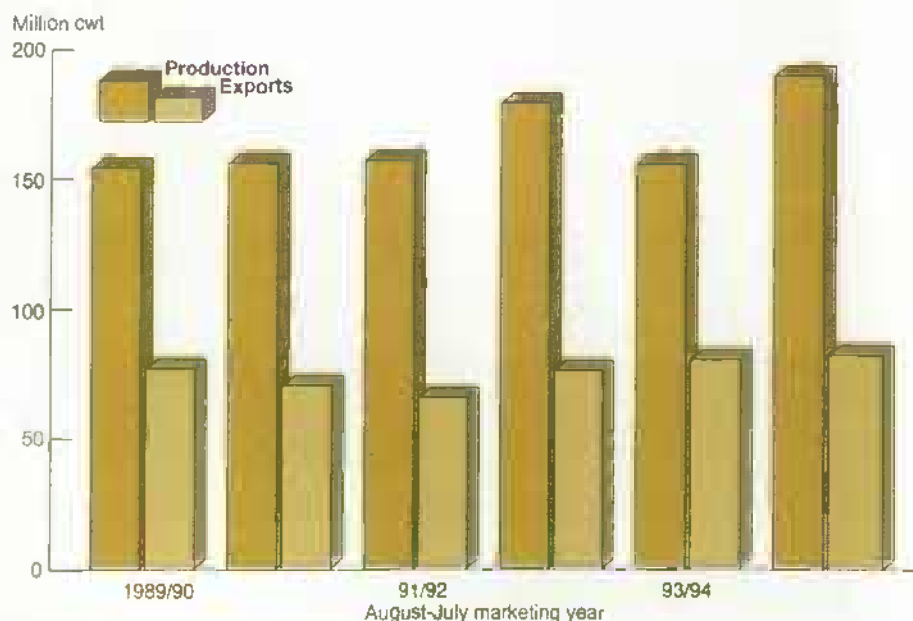
Earlier this year, the EPA had mandated that 30 percent of the oxygen-rich additives used to make a new cleaner burning fuel known as "reformulated gasoline" must come from renewable sources, beginning with a 15-percent requirement in 1995. Beginning January 1, nine major U.S. cities with the worst smog would be required to use reformulated gasoline, and ethanol would have been required in the reformulation.

The court order delays implementation of the program and lays out a schedule for the EPA, the oil industry, and the Renewable Fuel Association to file legal briefs with the court. The last set of legal briefs is due January 12, 1995, and oral arguments will likely begin shortly afterwards.

In the U.S., ethanol is produced primarily from corn. A USDA study, released in February 1994, suggests that full implementation of a 30-percent mandate for renewable fuel content would increase demand for renewable fuels by about 500 million gallons annually, increasing demand for corn by at least 200 million bushels in 1995/96. Current ethanol output in the U.S. is about 1.2 billion gallons a year.

[Stephanie Mercier (202) 219-0751]

U.S. Rice Crop To Reach Record High



of September 18, 90 percent of the crop was in good or excellent condition, 20 percentage points higher than a year earlier.

Record production, combined with ample stocks and a slight increase in imports, is pushing domestic supplies to 224 million cwt, up 11 percent from 1993. Both domestic food use and exports continue to increase. Exports are projected at 83 million cwt, 4 percent higher than 1993/94 and the highest since 1988/89. Despite stronger demand, stocks are projected up 51 percent to 39.3 million cwt. An increase in the stocks-to-use ratio, from 14.8 to 21.3 percent, is pushing the season-average farm price down sharply, from last year's \$8.08 to \$5.25-\$6.75 per cwt in 1994/95.

The U.S. cotton crop is forecast at a record 19 million bales, 18 percent larger than 1993. Harvested area, at 13.4 million acres, is up 5 percent from last year. The national yield is now expected to average 682 pounds per harvested acre, up nearly 13 percent from last year. Overall, crop conditions have declined from early July, but as of September 18, 61 percent of the crop was rated good or excellent. Projected average yields have improved for 12 of the 17 cotton-producing states between 1993 and 1994, and 13 of these states are showing higher planted area in 1994, accounting for the increase in production.

During 1993/94, U.S. cotton use—mill consumption plus exports—climbed to its highest level since 1926/27. Based on July data, total 1993/94 use is near 17.4 million bales, with domestic mill consumption accounting for 60 percent of the total. For the 1994/95 season, cotton use is forecast to rise even higher, with both mill consumption and exports expanding. Domestic mill use is projected to reach 11 million bales this season, 6 percent above last season and the largest since 1942/43. Mills are expected to continue operating near capacity as demand for denim, yarn, and apparel continue strong.

U.S. cotton exports are expected to increase 4 percent, to 7.3 million bales. Competitive prices for U.S. cotton and an increase in world consumption are im-

proving U.S. export prospects. With increased world trade supporting larger consumption, the U.S. share of trade should remain near last season's 26-percent level. Despite record U.S. production, near-record offtake will keep stocks at a relatively low level of 4.4 million bales.

[Stephanie Mercier (202) 219-0751]

Global Market: Outlook for 1994/95

U.S. export prospects for wheat, corn, soybeans, rice, and cotton are up in 1994/95, due to reduced exportable supplies in major competing countries. Slightly stronger global import demand for wheat is dropping ending stocks to the lowest level since 1981/82, while bumper U.S. soybean and corn produc-

tion is pushing world stocks of these crops significantly above last year's low levels.

World wheat stocks are expected to tighten. World wheat production is projected to decline more than 4 percent from 1993/94, to 535 million tons, as drought lowers the Australian wheat crop 39 percent. Wheat use is forecast to exceed production, leaving ending stocks at 119 million tons, the lowest since 1981/82. The global wheat stocks-to-use ratio is forecast to be the lowest in two decades. Both global and U.S. wheat prices strengthened in August and are expected to continue rising over the course of the marketing year.

While world wheat trade is still projected well below the near-record export level of 1992/93, imports are anticipated to be slightly larger than in 1993/94. Wheat imports by China are projected to more

World Wheat Consumption Exceeds Production, Stocks To Drop

	Year ¹	Production	Exports ²	Consumption ³	Carryover
Million tons					
Wheat	1993/94	560.3	98.8	568.3	142.9
	1994/95	535.5	99.4	558.9	119.4
Corn	1993/94	467.3	56.3	503.9	68.0
	1994/95	537.2	60.1	525.4	79.8
Barley	1993/94	169.1	17.3	169.8	35.7
	1994/95	165.8	15.9	168.8	32.8
Rice	1993/94	350.3	15.5	355.1	49.9
	1994/95	350.9	15.1	357.7	43.1
Oilseeds	1993/94	225.3	37.2	185.6	18.8
	1994/95	246.4	39.9	194.8	25.9
Soybeans	1993/94	115.3	28.0	99.1	16.1
	1994/95	127.2	29.7	101.8	21.6
Soybean meal	1993/94	78.5	28.5	78.2	3.7
	1994/95	80.7	28.7	80.5	3.5
Soybean oil	1993/94	17.8	4.5	18.1	1.3
	1994/95	18.5	4.4	18.4	1.3
Million bales					
Cotton	1993/94	76.5	26.9	84.8	29.8
	1994/95	86.2	27.7	86.7	29.5

¹ Marketing years are: wheat, July-June; coarse grains, October-September; oilseeds, soybeans, meal, and oil, local marketing years except Brazil and Argentina adjusted to October-September trade; cotton, August-July. ² Rice trade is for the second calendar year. All trade now has been inflated to include trade among the countries of the former Soviet Union. In addition, rice trade, like other grain trade, excludes intra-EU trade. Oilseed and cotton trade, however, still include intra-EU trade. ³ Crush only for soybeans and oilseeds.

Agricultural Economy

than double in 1994/95 to 10 million tons, as the government of China tries to ensure that urban areas have plentiful grain supplies and to prevent prices from rising too rapidly.

Reduced competitor export supplies in 1994/95 are enhancing wheat export prospects for both the U.S. and Canada. Exports for Canada and the U.S. are projected 10 and 3 percent above 1993/94 to 20.5 and 34 million tons, despite lower production in both countries. Exports from Australia are projected down 2.7 million tons to 10 million as dry conditions cut prospective supplies. Continued low production in the European Union (EU) is likely to dampen export prospects for the EU slightly in 1994/95. The U.S. share of the world market is expected to move up marginally, to 34 percent from 33 percent.

Global corn exports are expanding as import demand strengthens. World corn imports are projected nearly 7 percent above 1993/94's low level, with many countries expecting small gains. The largest gains are anticipated in Mexico and Korea. Some shift is expected in Korea's imports from wheat to corn as the price of wheat for feed relative to corn rises. Korea's corn imports are projected at 6.5 million tons, ahead of 1993/94 but slightly less than 1992/93's record imports. Mexico's corn imports are expected to double to 3 million tons, reflecting duty-free imports under the NAFTA-implemented tariff-rate quota for U.S. corn.

U.S. corn exports are projected to benefit from the stronger trade outlook in 1994/95. Exports are forecast up 15 percent to 37.5 million tons because of a rebound in U.S. production and reduced competitor supplies. A reduction in prospective EU output and exports due to hot, dry weather in France is strengthening U.S. export opportunities in the Middle East and North Africa. The U.S. market share is expected to rise from 57.7 percent to 62.4 percent.

World rice trade in 1995 is projected to fall, while U.S. exports climb. Global 1995 rice exports are projected to drop below 1994's high level of 15.5 million

tons as Japan's crop recovers and Japan limits imports. Plenty of sunshine and dry conditions have benefited Japan's prospective 1994/95 rice yields, boosting likely production to an 8-year high of 14.4 million tons, up from only 9.8 million last year.

Global rice consumption continues to increase, projected at a record 358 million tons in 1994/95. U.S. exports are projected at 2.7 million tons in 1995, up from 2.6 million this year. The expected U.S. market share is 18 percent, up a percentage point from 1994.

Falling foreign soybean supplies mean larger U.S. soybean and soy product exports. Global soybean production is projected at a record 127.2 million tons, driven mainly by stronger U.S. production. However, prospects for South America, the major foreign producing region, are slightly below the 1993/94 record as declining world prices limit area expansion in Brazil and Argentina. In addition, India's prospective soybean outturn has been reduced significantly as prolonged heavy rainfall during the planting season limited planted area.

U.S. soybean exports, forecast at 18.4 million tons, are up nearly 14 percent over 1993/94 due to reduced foreign exportable supplies and sharply lower prices. Strong demand for U.S. beans is reflected in a 200-percent increase in outstanding sales the first week of the marketing year (September-August). U.S. soybean meal exports are projected to increase to 5.1 million tons as lower Indian soybean production constrains soybean meal exports.

Global Oilseed Report

Exports of soybeans and most other major oilseeds are expected up sharply in volume from 1993/94. With global output of most major oilseeds projected at record levels in 1994/94, world oilseed trade could reach a record high.

Commodity Spotlight, page 15.

A significant decrease in palm oil supplies and a substantial increase in Chinese vegetable oil imports underpin the higher U.S. soybean oil export projection of 680,000 for 1994/95. Further expansion in soybean oil exports could be limited as a result of large trade in rapeseed and rapeseed oil.

A 43-percent increase in the 1994/95 Canadian rapeseed crop is pushing up world rapeseed output to a record 29.9 million tons. Rapeseed trade is expected to reach a record 5.7 million tons, with Japan, the EU, and Mexico accounting for most of the growth in import demand.

World cotton exports are projected 760,000 bales above 1993/94, as use reaches a new record. Global cotton production is projected sharply higher in 1994/95, 13 percent above 1993/94. Strong output gains are expected in China, with production increasing 16 percent to 20 million bales. Improved yields are projected as the bollworm infestation of recent seasons is finally brought under some control.

Larger U.S. exports, projected at 7.3 million bales, are anticipated as competitors' exportable supplies decline. Lower production and stocks in Uzbekistan are expected to drop exports sharply. Also, Australia's exports are likely to slip below 1993/94, reflecting dry planting conditions, expected lower planted area and production, and inadequate irrigation reserves.

[Carol Whitton (202) 219-0825]

For further information, contact:

Sara Schwartz or Carol Whitton, world wheat; Edward Allen, domestic wheat; Randy Schnepf, world and domestic rice; Nancy Morgan, world feed grains; Allen Baker or Pete Riley, domestic feed grains; Jaime Castaneda, world oilseeds; Scott Sanford and George Douvelis, domestic oilseeds; Steve MacDonald, world cotton; Bob Skinner and Les Meyer, domestic cotton. World information (202) 219-0820; domestic (202) 219-0840. AO

Specialty Crops Overview

Retail prices for fresh fruits and vegetables are headed lower this fall and winter when supplies begin increasing. Larger crops of tomatoes, green beans, peas, and corn were canned or frozen during the summer, and the increased supply will hold prices down. Bumper crops of several major fruits and vegetables are expected in the fall.

Production of mushrooms is also poised to increase during the 1994/95 marketing year, according to USDA's annual Mushrooms report released in September. While U.S. mushroom consumption is small—only 4 pounds per capita annually—mushrooms have the fourth-highest production value among vegetable crops.

Record U.S. sugarbeet production is forecast for the 1994/95 crop year, and large sugar inventories will put downward pressure on U.S. prices. In contrast, world market prices are likely to stay up until low world inventories are increased.

Larger supplies will lower fresh produce prices. Retail prices will come down this fall as larger crops of apples, onions, potatoes, and other fruits and vegetables add to the total supply of produce. This summer, a combination of tighter supplies and higher exports led consumers to pay higher prices for potatoes, apples, grapes, and other year-round crops and for summer-season peaches and strawberries.

- A record fall potato crop is expected, due to an estimated 5-percent increase in area harvested. The first USDA forecast will be released November 9, 1994.
- Washington's apple crop is up 10 percent from 1993 to 5.5 billion pounds, and New York's crop will

come in at 1 billion pounds, up 18 percent. However, total U.S. apple output is expected only 1 percent higher.

- The U.S. pear crop is estimated up 3 percent at about 2 billion pounds. Lower prices for fresh pears can be expected through next summer.
- California's navel orange crop is estimated at 2.8 billion pounds, up 1 percent from 1993, and supplies are expected to be ample for the holiday season.
- The 1994 storage onion crop is 3.56 million pounds, up 15 percent from 1993 and 13 percent above trend. Growers planted 7 percent more acreage than last year, and yields were up 5 percent due to good weather.

Strong demand in the food-service sector may moderate the drop in fresh fruit and vegetable prices resulting from large supplies. Also, the potato, apple, and onion storage crops will be marketed through summer 1995, which will help stabilize prices.

Greater supplies of processed fruit and vegetables will also temper prices. Retail prices for processed fruits and vegetables are expected up only 1 to 2 percent in 1995, compared with a 5-percent increase in 1994.

Manufacturers canned or froze a bumper crop of *snap beans, green peas, and sweet corn* during the summer for distribution during the 1994/95 marketing season. Growers produced 30 percent more of these three items, according to USDA estimates in the September *Vegetables* report. Processors also canned a record large crop of *processing tomatoes*.

Weather problems, which reduced Michigan's apple crop, will lower canned apple production. But large carryin inventories are covering the shortfall for 1994/95.

August 1 carryin stocks of *frozen potatoes* were higher than the previous season, and the larger U.S. fall crop

will push inventories higher. Exports of frozen potatoes will total about 630 million pounds for 1994, up 20 percent from last year and 30 percent from 1992. Domestic demand for frozen potatoes will reach 52 pounds per person this year, and follows the long-term pattern of a 1-pound increase per year.

Prospects for large U.S. orange juice production in 1994/95, as well as large inventories, are causing juice prices to weaken this fall. And a normal crop of Brazilian oranges for juice will keep pressure on U.S. prices. The first USDA forecast of Florida orange production will be released October 12.

A large onion crop will pressure prices. USDA's September *Vegetables* report estimated record storage onion output for 1994. Onion exports are keeping prices afloat for now, but pressure on grower prices due to the larger crop will likely begin pulling retail prices down in the fall. Good weather and increased plantings combined to push production above the longrun trend.

- The storage onion crop—which will be harvested this fall and either sold to the fresh or processed market or put in storage—is 56 percent of the annual onion crop.
- The biggest increases in the storage crop came in Oregon, Washington, Colorado, and Idaho, where onion production is concentrated.
- Onion exports in 1994/95 are expected up 10 percent, to 420 million pounds.

Mushroom output is expected up. U.S. mushroom growers are increasing output in the 1994/95 marketing season (which began on July 1) in response to higher prices. And in the small but fast-growing specialty mushroom market, growers are expected to continue expanding production of shiitake and oyster mushrooms.

Grower prices were up 8 percent during the past marketing season, driven by a 2-percent drop in the U.S. mushroom

Agricultural Economy

Decline in Cuba's Sugar Production Reinforces Economic Downturn

Cuba's current political and economic crisis is partly linked to its recent contraction in sugar production. Sugar is Cuba's leading export commodity and has earned up to two-thirds of the country's total foreign exchange. Cuban production was only 4 million metric tons last season, half of what it was 5 years ago. USDA projects 1994/95 sugar production at 3.5 million tons, the lowest in President Castro's regime. The decline in sugar production reduces Cuba's ability to buy food, oil, consumer goods, and production inputs on the world market.

Cuba exports between 85 and 90 percent of its sugar crop, mainly to the former Soviet Union (FSU), China, the Middle East, and North Africa. Until the late 1980's, Cuba benefited from highly subsidized prices for its sugar exports to the Soviet Union. Before the collapse of FSU economies began, Cuba received 3 to 4 times the world price. In the last 5 years, Cuba has been left with the world price and a deteriorating economy. In addition, the lack of FSU input subsidies has resulted in inadequate fertilizer and pesticide supplies that lowered sugarcane yields, fuel shortages that halted

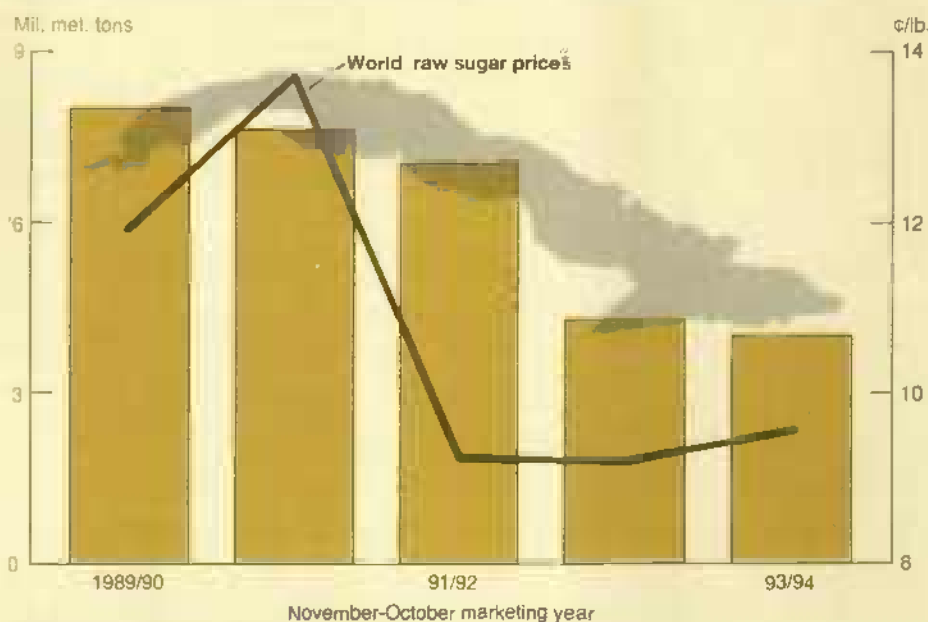
harvest and milling operations, fewer machinery spare parts, and a generally declining infrastructure.

Cuban officials announced a major program last year to replant about 1 million acres and to improve cultivation practices for the 1993/94 crop. However, poor growing conditions caused yields to fall again, forcing a shutdown of many of Cuba's 156 sugar mills. President Castro extended the harvest by 4 months to reach the 4-million-ton production goal. While buying time for the present, this strategy has curtailed the 1994/95 crop. Moreover, the replanting goal was not met, and reports of low-quality seed cane indicate poor germination of newly planted cane.

The forecast raw sugar output of 3.5 million tons in 1994/95 would produce only about 2.7 million tons of sugar for export. The lower exports again diminish Cuba's ability to earn foreign exchange, and the downward spiral in Cuba's economy will continue.

[Peter Buzzanell (202) 219-0888]

Cuba's Sugar Production Continues To Fall



1993/94 estimate.

*Source: Coffee, Sugar, and Cocoa Exchange.

crop (excluding specialty mushrooms) in 1993/94. The supply to processors showed a steep drop in volume—8 percent—as a large supplier closed too late in the season for other growers to fill the gap.

The value of mushroom sales to the fresh market increased 3 percent to \$537 million in 1993/94 on the strength of a 3-percent jump in price. The 521 million pounds going to the fresh market was only slightly below the previous season's record, and the price increase signals

continued strong demand in the 1994/95 season.

U.S. fresh mushroom exports fell 33 percent to 12 million pounds last season due to tight domestic supplies. Tight supplies and higher prices also cut U.S.

processed exports 40 percent last season, to 7.1 million pounds. And U.S. imports of canned mushrooms nearly doubled during the latter half of 1993/94.

Consumer demand for mushrooms hovers at just below 4 pounds per person in the U.S. Demand for fresh mushrooms increased steadily through the early 1980's, and leveled out at about 2 pounds per person for the last decade. In contrast, processed demand has continued to fluctuate, and is currently about 2 pounds per person.

U.S. beet sugar production is forecast record high. USDA's September sugarbeet and cane production estimates for 1994/95 changed only slightly from August. Sugarbeet production is heading for a record of 29.8 million short tons. Sugarcane output is forecast at 31.2 million tons, up fractionally from last year. Even with projected higher sugar use in 1994/95, the large beet crop will help raise carryout inventories.

World sugar production for 1994/95 is forecast at 114 million metric tons, up 3 percent. Low 1993/94 yearend stocks contributed to a higher world raw sugar price. Heading into 1994/95, sugar supply is forecast only slightly higher, and prices are likely to remain firm. A key importing country to watch is China, whose imports are expected to more than double.

The increased world sugar production is due to higher cane sugar output in India, South Africa, Thailand, Brazil, and Australia. Global beet sugar production is projected to be down in 1994/95, despite record U.S. production, due to lower output in key European Union countries, Russia, and Ukraine.

[John Love (202) 219-0388]

For further information, contact: Dennis Shields, and Diane Bertelsen, fruit and tree nuts; Gary Lucier, vegetables; Peter Buzzanell, sweeteners; Doyle Johnson, greenhouse/nursery; Verner Grise, tobacco (202) 219-0882. David Harvey, aquaculture; Lewrene Glaser, industrial crops (202) 219-0085. **AO**

Livestock, Dairy & Poultry Overview

Beef production is expected to continue increasing on a year-to-year basis this fall and winter, but increases are slowing. Beef prices are expected to rise seasonally this fall but average below a year ago due to larger supplies. Ample pork supplies during the second half of 1994 are expected to result in lower hog and retail pork prices. Larger expected supplies of pork and competing meats will put continued pressure on red meat prices.

Favorable returns in 1994 are establishing a solid foundation for future expansion and market development for U.S. broilers and, to a lesser extent, for turkeys. Greater expected egg production in 1995 is forecast to push down wholesale and retail prices. Milk production is expected to increase in 1995, while growth in commercial use is projected to be modest, putting pressure on milk prices.

Beef supplies are expected to remain large. Beef production is expected to continue rising this fall and winter, although year-to-year increases are expected to slow. Third-quarter production was up about 4 percent, and fourth-quarter production is expected to increase about 2 percent from a year earlier.

The number of cattle on feed on September 1 in the seven monthly reporting states was down 5 percent from a year earlier, but still up 6 percent from 1992. August net placements were down nearly 3 percent from a year earlier, while marketings were up 3 percent. The larger 1994 calf crop and reduced spring feedlot placements resulted in a midyear rise of 3 percent in the number of feeder cattle outside feedlots from a year earlier. Many of these cattle were heavier weight stocker cattle on summer grazing programs. Improved prospects for feedlot returns, seasonally declining forage conditions, and a large feed grain harvest are

expected to raise placements substantially this fall.

While third-quarter marketings are expected to rise above a year earlier, the pace of marketings has not been sufficient to pull down slaughter weights. Rates of weight gain continue to be excellent, and with placement weights remaining heavy, marketing weights continue to set records. In late July, market weights had already reached the seasonal records usually set in late October or early November. Excess finish is still not a major problem, but discounts are beginning to show up on some of the heavier cattle. Commercial dressed weights this summer are likely to average 12 to 15 pounds above the record set in 1991.

Fed cattle prices began to decline in the early spring, and bottomed in June at slightly above \$63 per cwt. Prices then rose to \$65 in July and averaged near \$66.50 in August. Summer quarter prices will likely average about \$66.50, before rising to near \$70 this fall. Retail prices for Choice beef dropped to \$2.78 a pound in September, the lowest monthly average since October 1991. Prices may average near \$2.80 in late summer and are expected to rise about 5 cents a pound in the fall.

The lag in retail price transmission this summer has been consistent with past behavior, with retail price adjustments lagging live and wholesale price declines by about 4 months. Live price increases are usually reflected in higher retail prices in about 3 months.

Higher slaughter rates are pressuring hog prices. Hog slaughter began increasing seasonally in August, reaching nearly 2 million head per week in mid-September. Except for the holidays, weekly slaughter is forecast to exceed 2 million head this fall, up 3 percent from last year.

Hog prices declined to the mid-\$30's per cwt in September after remaining near \$43 per cwt for 5 months. Prices this year have been unusual in failing to rally in June-July when pork production was at a seasonal low. Thus, larger production in August pushed hog prices lower as supplies began to increase.

Agricultural Economy

U.S. Livestock & Poultry Products—Market Outlook at a Glance

		Beginning stocks	Production	Imports	Total supply	Exports	Ending stocks	Consumption		Primary market price
								Total	Per capita	
		— — — — — Million lbs. — — — — —						Lbs. — —		\$/cwt
Beef	1994	529	24,170	2,400	27,099	1,510	475	25,114	67.4	69-70
	1995	475	24,582	2,485	27,542	1,590	450	25,502	67.8	66-72
Pork	1994	359	17,380	800	18,539	445	375	17,719	52.7	42-43
	1995	375	18,458	775	19,608	480	375	18,753	55.2	38-42
c/lb										
Broilers*	1994	358	23,314	0	23,672	2,600	400	20,871	69.7	56-57
	1995	400	24,365	0	24,765	2,700	390	21,675	72.3	52-56
Turkeys	1994	249	4,923	0	5,172	290	255	4,628	17.7	65-66
	1995	255	5,047	0	5,302	305	265	4,732	18.0	59-63
c/doz										
		— — — — — Million doz. — — — — —						No.		c/doz
Eggs**	1994	10.7	6,080.8	4.4	6,095.9	176.7	12.0	5,107.5	235.0	68-69
	1995	12.0	6,125.0	4.5	6,141.5	165.0	12.0	5,134.5	233.9	64-70

dark-meat parts have provided support to this low-priced segment of the market.

This year's wholesale prices for turkey parts, as well as prices for whole hens and toms, have consistently averaged above a year earlier. Very strong export growth, slow production increases, relatively low stocks, and a stronger economy are all contributing to the price strength.

Through the first 8 months of this year, whole hen prices averaged 5-6 percent above a year earlier, drumsticks about 46 percent, wings 23 percent, and breast meat 4-5 percent. Very strong export demand has helped boost drumstick prices sharply, while strong domestic demand has helped increase breast meat prices.

Eastern region hen prices will continue to increase seasonally during the fourth quarter, but prices may average below last year's relatively high 70.4 cents per pound. A likely 3-percent increase in turkey production in the fourth quarter and increased supplies of red meats, especially pork, may moderate seasonal turkey price gains later this year.

Relatively strong turkey prices, combined with lower feed costs in the third quarter, led to positive third-quarter returns that are up from a year earlier.

Returns are expected slightly above a year earlier in the fourth quarter also, given the seasonally higher turkey prices and expected lower feed costs. However, returns for the year will likely average slightly lower than in 1993.

Higher net returns are encouraging greater egg production. Table-egg production in 1995 is forecast to increase fractionally as positive returns expected for the second half of 1994 and flock liquidation and encourage increased pullet hatch. Higher prices and lower feed costs are behind the improved returns. Table-egg production in the second half is expected to post a slight increase.

The 1995 increase in table-egg production is expected to reduce prices on the New York wholesale market by around 1-2 cents per dozen. Feed costs per dozen eggs are expected to be 2 cents lower in 1995. Third- and fourth-quarter 1994 returns are estimated at 3-5 and 8-10 cents per dozen, compared with 5.2 and 7.5 cents last year. Annual net returns will be around 3-4 cents per dozen in 1994 and 1995.

Adjustments to lower returns kept egg-type hatch 8 percent lower in the first 7 months of 1994 than a year earlier. Reduced hatch has just begun to affect flock size, as decreased slaughter and slightly

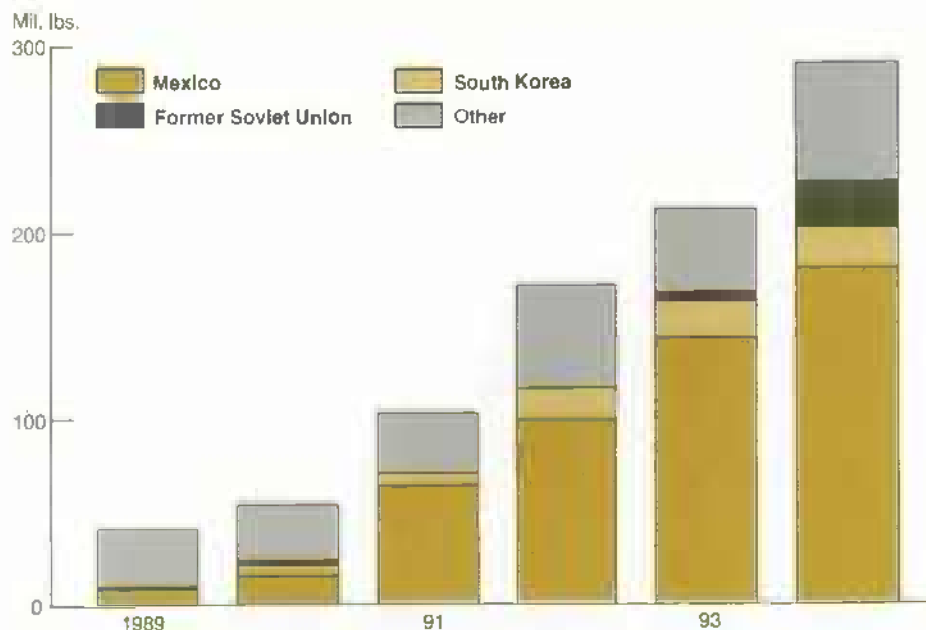
higher molting rates maintained flock size above a year ago through July. The flock is expected to be smaller than a year earlier through the rest of 1994. Increased productivity per hen will keep egg production above a year earlier in the third and fourth quarter.

Egg exports, aided by lower prices, are projected to increase about 10 percent in 1994 over 1993. Table-egg exports are being aided by large Export Enhancement Program sales to Hong Kong and the Middle East. Hong Kong receives about 60 percent of U.S. table-egg exports, and Japan 50-55 percent of egg product exports. Canada and Mexico account for 50-60 percent of the hatching-egg exports. Egg exports are expected to decline slightly in 1995.

Lower dairy prices are expected in 1995. Milk production is projected to grow about 2 percent in 1995. Significantly more cows are expected to be injected with bovine somatotropin (bST). This year's experience indicates that bST can be profitable for individual producers. Along with lower concentrate costs, additional bST use is expected to result in a relatively large gain in milk output per cow. Farmers are expected to receive prices 5-8 percent lower for their milk in 1995 than this year.

Lower milk prices will pressure milk cow numbers, but farm exits are not expected to be as common as in 1993 and early 1994. Lower cull cow prices and a large herd of replacement heifers also will temper declines in cow numbers, projected at about 1 percent in 1995. Growth in commercial use in 1995 will likely be modest, following strong demand in 1994. Therefore, the surplus is projected to rise slightly from 1994's 4-5 billion pounds, milk equivalent. Surpluses of milkfat and skim solids will both be sizable for the first time since the 1980's.

Mexico Accounts for Over 60 Percent of U.S. Turkey Meat Exports



For further information, contact:

Leland Southard and Agnes Perez, coordinators; Ron Gustafson, cattle; Steve Reed, hogs; Lee Christensen, Larry Witucki, and Milton Madison, poultry; Jim Miller, dairy. All are at (202) 219-0713. AO

Agricultural Economy

News Watch . . .

Organic Program Recommendations

The National Organic Standards Board submitted most of its recommendations for the National Organic Program to **USDA** in August 1994. The recommendations, which will be used as the foundation for developing the national program, cover five major portions of the Organic Foods Production Act:

- organic standards for crop and livestock production,
- processing and handling standards,
- organic labeling,
- accreditation of organic certifying agents, and
- importation.

The next meeting of the **USDA**-appointed board—scheduled for October 11-15, 1994 in Santa Rosa, California—will discuss remaining issues, including the National List for prohibited natural and allowed synthetic materials. Livestock medications, synthetic inert ingredients, essential processing aids, and detergents will likely be among the substances reviewed for the list (*AO* August 1993).

New Global Population Policy

The United Nations population conference concluded last month with broad endorsement of a new long-term strategy for stabilizing the world's population. The central thrust of the new strategy is to give women more control over their lives. Governments and donor countries will be urged to promote educational opportunity for girls as well as to provide women with broad choices on family planning and health care. The new strategy is the first to take UN population policy beyond the traditional focus on family planning.

The goal of the new policy is to stabilize the world's population at about 7.27 billion by the year 2015, compared with 5.67 billion today, and to avert a population explosion later in the century. The UN estimates that the world's population could reach as high as 12.5 billion by 2050 if population is not stabilized before then. Analysis by **USDA**'s Economic Research Service, based on a moderate estimate of population growth, does not point to a long-term global crisis or gross imbalance between overall food production and food needs (*AO* June 1994). However, the analysis indicates that agricultural resources are under pressure, and that the prospect of localized famines, especially in Sub-Saharan Africa, is likely to continue.

Record Sales for Farmer Co-ops

U.S. farmer cooperatives set a new record for net business volume last year, reaching \$83 billion—over 4 percent higher than the 1992 record. And while the number of U.S. farmer cooperatives continued a long-term decline, dropping from 4,316 in 1992 to 4,244 in 1993, last year's was the smallest drop in 17

years. Marketing and farm supply cooperatives with nearly 2 million memberships apiece (farmers often belong to more than one) play an important role in a number of agricultural industries.

In the sugarbeet industry, for example, the co-op structure of sugarbeet production in North Dakota and Minnesota provides growers with significant advantages (*AO* May 1994). All three processors in the Red River and Minnesota River Valleys are producer-owned cooperatives—the only ones among the 10 sugarbeet processors in the U.S.—giving members a direct incentive to manage their farming operations in a way that maximizes sugar output by the factory. The co-op structure has also allowed sugarbeet producers to capture returns from an expensive recent investment in "desugaring" technology, and a planned joint marketing venture will likely boost the competitiveness of all three co-ops.

USDA Authorizes Russian Grain Credits

USDA has authorized \$20 million in credit guarantees for sales of U.S. agricultural commodities in Russia under the Commodity Credit Corporation's Export Credit Guarantee Program (GSM-102) for fiscal 1994. These credit guarantees are only for private sector buyers in Russia, and are available to U.S. exporters for wheat, meats, oils, dairy products, cotton, feed grains, processed vegetables, fresh fruits, and other commodities.

Russia was suspended from U.S. credit programs in November 1992 because of debt servicing difficulties, including defaults on GSM-102 debt payments (*AO* March 1994). However, Russia and the U.S. negotiated a bilateral rescheduling agreement on GSM-102 debt payments last fall, and Russia has been current on its payments since February of this year. Under the newly authorized GSM-102 program, the loans will cover 98 percent of purchases, and will carry a maximum term of 90 days.

Midwest "Agriculture Summit"

The governors of 13 Midwest states recently held a conference to underscore the importance of agriculture in their region and to discuss issues in the upcoming farm bill. The governors made a number of farm policy recommendations, including consideration of the long-term effects of altering farm programs, and favorable tax treatment for low-interest, beginning-farmer loans.

While commodity programs today have less direct effect on the well-being of nonfarm rural households in the U.S. than in the past, and the impact on many farm households has diminished, the programs remain important in the Midwest (*AO* July 1994). Agriculture plays a larger role in the economies of that region than in most others, and farm operators tend to specialize in crops that qualify for commodity payments. Nearly two-thirds of U.S. commodity payments went to producers in 13 Midwest states in 1993. *AO*

Commodity Spotlight



National Sunflower Association

Global Oilseed Trade Headed for 1995 Record

World oilseed trade volume could reach a record high in 1994/95 in response to the abundant supplies forecast for major producing countries and the higher demand expected in importing countries. Exports of soybeans and most other major oilseeds are expected up sharply from the previous year, and product trade could also rise to record levels although the projected annual increase is small. Global consumption is expected up due to the strengthening East European economies, income and population growth in developing countries, and a more favorable soybean/grain price ratio in the European Union (EU).

Global production of oilseeds in 1994/95 is projected at a record 246.4 million metric tons, up 9 percent from last year. Except for peanuts, all the major oilseeds—soybeans, rapeseed, sunflowerseed, cottonseed, copra, and palm kernel—are expected to boost production. Global oilseed production is expected to significantly outpace consumption, and ending

stocks are projected to increase by more than 38 percent from last year's 18.8 million tons. As usual, soybeans dominate the production outlook for oilseeds, with about 50 percent of total oilseed output.

World oilseed crush—for meal and oil—is projected up 5 percent to 194.8 million tons during 1994/95, and soybeans and rapeseed will likely reach record crush. Soybeans will account for 101.8 million tons of total crush, and remain the single most important oilseed. Soybean crush has been rising steadily over the past decade.

Global soybean production in 1994/95 is projected at a record 127.2 million tons, with much of the gain expected in the U.S. A record soybean crop is forecast in Argentina, and large crops are expected in Brazil, China, and India. Soybean use is forecast to lag production, and stocks are expected to rise, mirroring the pattern for oilseeds in general.

U.S. soybean output is forecast at a record 63 million tons in 1994/95, and exports are expected up 13 percent from last year. U.S. market share for soybeans is expected to reach 62 percent, up from last year but well below the 69-percent share in 1992/93. And while U.S. soy-

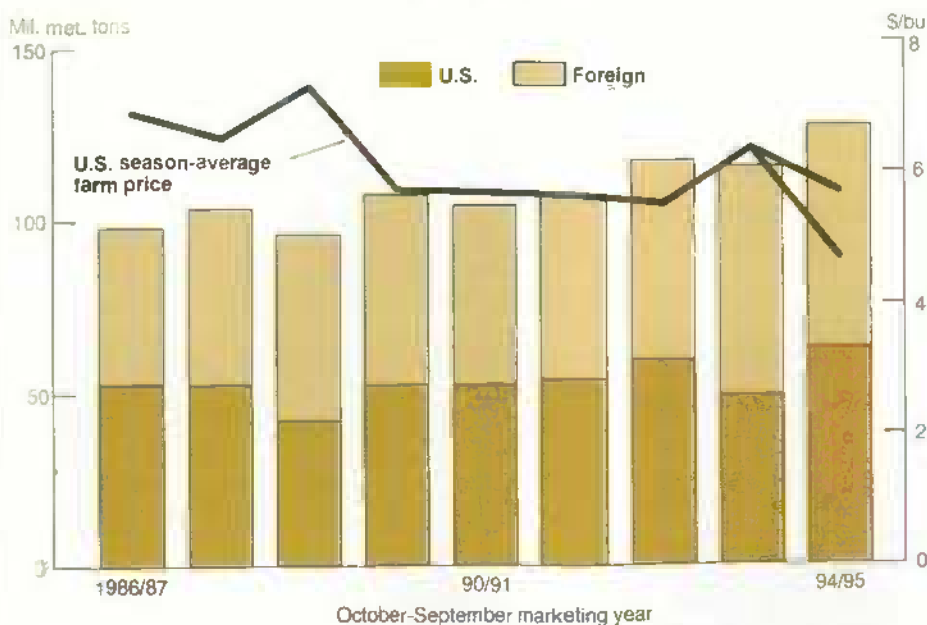
bean meal exports are also expected up in 1994/95, shipments and market share are still expected to be relatively thin.

The expected glut in oilseed supplies has already begun to put downward pressure on world oilseed prices. Increased supplies of protein meals, especially soybean, rapeseed, and fish meal, and relatively slow growth in demand are also pushing oilseed prices down. However, vegetable oil prices are surging as growing demand outpaces tight supplies, especially for palm oil. And the expected relative oil-to-seed prices will boost crush margins during 1994/95. Nevertheless, U.S. futures prices for soybeans at the Chicago Board of Trade have been declining since May, and U.S. farm-level soybean prices for 1994/95 are forecast well below the \$6.40-per-bushel average of last year.

Global Soybean Exports To Rise Sharply

World oilseed exports are expected up sharply to 39.9 million tons in 1994/95, a 7-percent recovery from the reduced trade last year. The expected increase in oilseed trade is due primarily to larger rapeseed and soybean exports. Global

Soybean Prices To Dip As World Crop Reaches Record



1994/95 forecast.

Commodity Spotlight

soymeal exports are expected to remain nearly unchanged at 28.7 million tons. Soybeans and soymeal are the primary determinants of world oilseed and meal trade. Soybeans account for about 80 and 67 percent of oilseed and protein meal exports.

Brisk soybean meal use is expected in 1994/95, and imports to the EU, Eastern Europe, Latin America, and the Middle East could rise. Soybean meal consumption is forecast up 3 percent in 1994/95, to nearly 80.5 million tons. Nearly all regions except the former Soviet Union (FSU) are expected to increase soybean meal consumption. However, soybean meal imports are expected to rise less than 1 percent above last year, to 28.4 million tons, partly because the major producing countries are consuming more of their own product and partly because processor countries are crushing more oilseed and buying less soymeal.

The EU is the largest importer and consumer of soybeans and soybean meal, accounting for about half of world imports and consumption. Despite the expected drop in grain prices in 1994/95, EU soybean meal consumption is projected up 2 percent, to 20.8 million tons. Soymeal is expected to remain competitive in the EU feed industry as the soymeal/feed grain price ratio continues to decline from early in the 1993/94 marketing year. In addition, prospects for a weaker U.S. dollar against European currencies, and the abundant supplies of inexpensive South American soymeal, also support the outlook for increased soybean meal imports in the EU.

Asia's soybean meal consumption is expected to reach another record in 1994/95, even though use in Japan—the largest soybean and soymeal importer in Asia—is projected down slightly. Increased rapeseed crushing in Japan, combined with more meat imports, will depress prospects for soybean imports.

Korea and Taiwan are expected to continue their pattern of slow growth in meal consumption. Since 1989, Korea has maintained a steady growth in soybean meal consumption, but soybean imports have remained relatively unchanged or

declined slightly during the 1990's. The increase in Korean imports of India's soybean meal is the principal factor behind the lack of growth in soybean imports. Korean analysts indicate that soymeal imports could be limited to only 40 percent of total demand because of protests by processors that inexpensive soymeal from India has harmed domestic profits. In addition, soybean imports could also benefit from the anticipated decline in Indian soybean meal exports in 1994/95.

Imports in Eastern Europe are likely to expand as continued improvements in the economy begin to boost demand for meat and soybean meal. After consecutive annual declines since 1986, East European soybean meal consumption rebounded in 1993/94 and is expected to increase by another 11 percent in 1994/95.

On the other hand, the FSU is projected to drop meal imports and consumption marginally during 1994/95. Factors contributing to the decline include continued economic regress, inadequate agricultural reforms, and disinterest in renewing GSM programs or shipments of Food for Progress donations. Even if the U.S. offers substantial credit programs for Russia, they may not translate into more

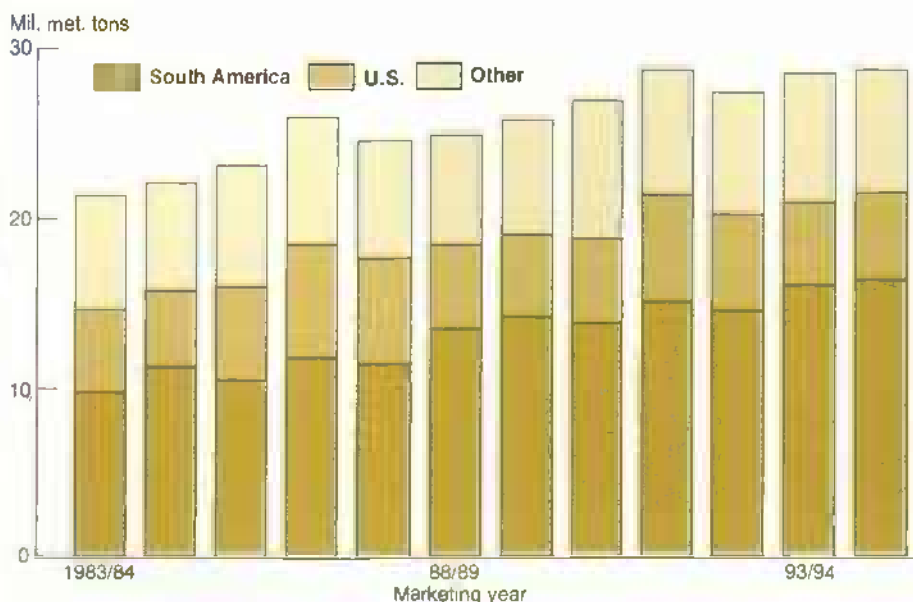
imports. Russia does not have the capability to increase its external debt, under the World Bank and IMF economic programs.

For the first time, Iran will import the largest amount of soybean meal in the Middle East, surpassing Algeria, traditionally the top market. Imports by other significant developing economy markets, including Saudi Arabia, Egypt, and Turkey, are expected to climb slightly in 1994/95.

With a 6-percent growth in soybean meal consumption and a small rise in imports projected, the Latin American market shows the largest growth in the world for 1994/95. Soymeal and soybean import projections for Mexico—the largest soybean import market in Latin America—show 6- and 10-percent increases. Major Latin American soymeal importers, including Venezuela, Dominican Republic, Chile, Colombia, and Peru, will also expand soymeal imports as gains in income and population spur meat consumption growth.

While global soybean exports are forecast to rise sharply, soymeal trade remains nearly unchanged. World

South America's Share of World Soybean Meal Trade Continues To Increase



Aggregate of local marketing years, except for Argentina and Brazil, which are adjusted to an October-September marketing year. 1994/95 forecast.

soybean exports are projected to rebound to 29.7 million tons, 6 percent above 1993/94, while global soybean exports will remain nearly unchanged at 28.7 million tons. The expected recovery in soybean trade is primarily a result of larger soybean supplies in the U.S., and more favorable soybean prices relative to soybean meal prices.

South American soybean and soybean meal exports (in soybean meal equivalents) are expected up marginally to 24.8 million tons, but soybean meal exports will likely reach a record 17.6 million tons. And soybean exports, at 7.2 million tons in soybean meal equivalents, are still projected to be the second largest ever. South America's relatively positive export outlook is due to ample and growing supplies in Brazil, Argentina, Paraguay, and Bolivia; rising EU soybean demand; and expanding sales to Mexico and other Latin American countries.

Brazil's soybean production in 1994/95 is projected down 3 percent, to 23.7 million tons. As supplies wind down, soybean exports are projected down 1 percent, but as soybean crush increases, Brazil's soybean meal exports will grow by nearly 2 percent.

However, Brazil—the largest U.S. competitor for the soybean market—is in the midst of several economic changes that could alter these projections. The government of Brazil launched a new economic plan in 1994 designed to control inflation and reduce government spending. Under the plan, exchange rates emerge as the most uncertain and potentially detrimental change for soybean producers.

In addition, a recently announced Farm Plan for 1994/95 seeks to reduce the risk from using government credit, at least for small- and medium-sized farm holders. Adding to the uncertain outlook, international prices for cotton, coffee, and rice have recently risen, while soybean prices are falling. However, domestic soybean prices in Brazil remain relatively high compared with other commodities.

Argentina's soybean meal exports are projected at 6.96 million tons in the 1994/95 marketing season (October 1-September 31), and could set the sixth

Brazil's 1994/95 Farm Plan

The government of Brazil recently announced its annual Farm Plan for 1994/95. The plan will make credits of US\$6.3 billion available to farmers from both private and public financing agencies. The credits will be used primarily for production and marketing loans, and the government share is expected to be 65 percent. However, as of mid-September, credit had not been made available by either the government or the commercial banks.

The 1994/95 Farm Plan provides "mini" and "small" producers with a significantly subsidized interest rate. Miniproducers are those with incomes below US\$6,668, and small producers are those with incomes between US\$6,668 and US\$20,000. Nominal interest rates will be fixed at 6 percent per year for miniproducers, and small producers will be assured 50 percent of their loan at a fixed 6-percent rate. The other half of loans for small producers will be subject to the 6 percent plus an additional "reference interest rate" adjustment, which is determined by the government.

Medium-sized and large producers—with incomes above US\$20,000—will see their interest rate decline 1.5 points from last year, to 12.5 percent. However, farmers in this group must also pay the additional "reference interest rate" adjustment on their whole loan.

The 1994/95 plan reinstates the minimum support price for soybeans at \$183 per ton, after a 1-year elimination, and increases the minimum support price for cotton by 10 percent. Support prices for corn, rice, and dry beans remain unchanged. Other provisions in the new plan cut the fertilizer import duty, and raise the import tariff for cotton from 0 to 6 percent.

The plan appears to be aimed at improving the economic well-being of mini- and small farmers, rather than increasing area planted. Traditionally, the smaller producers in Brazil, using less than 15 hectares, fully employ the available arable land. With better prices these producers will not expand area, but the increased support for some commodities could influence their planting mix.

Since the Brazilian government eliminated negative interest rates for all producers in the mid-1980's, large farmers, especially soybean producers, have not relied much on the government credit plan. These farmers tend to sow based on past and prospective prices.

Medium-sized farms are the most affected by the 1994/95 farm plan. During the last 2 years, most of the farmers in this group obtained credit from nontraditional sources—cooperatives, traders, or processors. With economic conditions in flux and many loans in default, it is less likely that these farmers will acquire loans through these nontraditional sources in 1994/95. For the first time in 3 years, medium-sized producers could seek loans from the government, and conditions for these loans, especially the cost-of-living adjustment, could limit production.

The overall impact of the plan is expected to be favorable for all crops, but skepticism regarding the reference interest rate will prevail in driving farmers' sowing intentions. Moreover, the overall impact on soybean farmers, who fall mostly into medium- and large-producer categories, remains uncertain. Although area expansion is unlikely, contraction is a possibility and will depend largely on decisions made by the medium-sized producers.

Commodity Spotlight

consecutive record. On the other hand, soybean exports are expected down, though relatively strong at 3.1 million tons. USDA forecasts Argentine soybean area to remain unchanged, and production could reach a record 12.4 million tons if yields return to more normal levels after 2 years of suboptimal conditions. However, planting conditions for 1994/95 remain unclear.

Argentine farmers held a 10-day strike in August calling for reduced cost of credit, a ban on food imports from nations that subsidize agriculture, duty-free agricultural chemical imports, and a reduction in property and income taxes. And international prices for the two main summer crops—corn and soybeans—are down and expected to plummet even further. Despite these potential disincentives, soybeans and soybean products will likely continue to be the most profitable export commodity for Argentine farmers.

China's decline in the export market is expected to continue in 1994/95. Exports in soybean meal equivalent are projected at only 800,000 tons, compared with 3.3 million tons in 1990/91. China's exports are falling because of a rapid increase in meat production, which requires increased use of domestically produced soybean meal.

India's soybean meal exports are expected to interrupt their strong growth in the Asian market, due largely to the weak outlook for soybean output in 1994/95. India's soybean crop is estimated down to 3.25 million tons as an estimated 700,000 hectares have been unplanted or are expected to be abandoned due to excessive monsoon rains early in the season. The U.S. and South America are likely to gain from India's lower soybean meal exports in markets formerly supplied by China.

U.S. soybean and soybean meal exports are expected to rebound in 1994/95. U.S. soybean exports are projected to rise nearly 15 percent from last year, to 18.4 million tons, while U.S. soybean exports, at 5.1 million tons, are up only 4 percent. The EU is expected to return as a major soybean buyer in 1994/95, and will purchase less soybean meal. Favorable U.S. soybean export prospects are also due to

larger U.S. soybean supplies and lower international prices. And unfavorable exchange rates in Brazil will benefit U.S. soybean exports to Brazil and other markets.

While U.S. soybean meal exports are up in 1994/95, they will be well below the 6.3 and 5.7 million tons reached in 1991/92 and 1992/93. Strong soybean exports from South America and India, brisk demand in the U.S., and weak demand in Canada and the FSU account for most of the sluggishness in U.S. soybean exports.

Veg-Oil Trade Remains Brisk

Global exports of edible oil—vegetable and marine oil—are projected to reach 22.2 million tons in 1994/95, setting a trade record. But the resulting 2-percent growth would be well below the nearly 4-percent annual increase during the last decade. Most of rise in total edible oil trade reflects increased exports of rapeseed and sunflowerseed oil.

World vegetable and marine oil production is projected up nearly 5 percent to 65.2 million tons. Although an expansion in all oils is expected, soybean, rapeseed, and sunflowerseed oils are likely to account for more than 65 percent of all new supplies. Global edible oil consumption is expected to rise over 3 percent in 1994/95, to a record 64.8 million tons, rising primarily for soybean, palm, cottonseed, rapeseed, and sunflowerseed oils.

China—the largest importer of edible oil—significantly increased imports and consumption last year. Further economic development combined with population growth could push China's edible oil consumption higher again in 1994/95.

Lower international prices relative to China's domestic veg-oil prices, and reduced import tariffs, will be favorable for edible oil imports.

Latin America—the fastest growing market for vegetable oils—is expected to continue its 4-percent annual growth rate in 1994/95. Increased industrial use as

well as income and population growth are behind the gains in Mexico, Brazil, Colombia, and Peru.

Despite the larger consumption in exporting countries, global vegetable oil exports are expected to rise nearly 2 percent. Larger exports in palm, rapeseed, and sunflowerseed oils more than offset small declines in soybean, cottonseed, and olive oil.

U.S. vegetable oil exports are projected to remain brisk as shipments increase from the 1993/94 level. Until the Uruguay Round agreement on subsidized veg-oil exports is implemented, the U.S. is expected to continue using its export assistance programs—the Export Enhancement Program, the Sunflower Oil Assistance Program, and the Cottonseed Oil Assistance Program—to enhance exports. But despite good global prospects for veg-oil exports during 1994/95, the higher prices, rebuilt stocks, and relatively slow demand for vegetable oils will restrain additional U.S. exports. [Jaime Castaneda (202) 219-0826] AO

Upcoming Reports from USDA's Economic Research Service

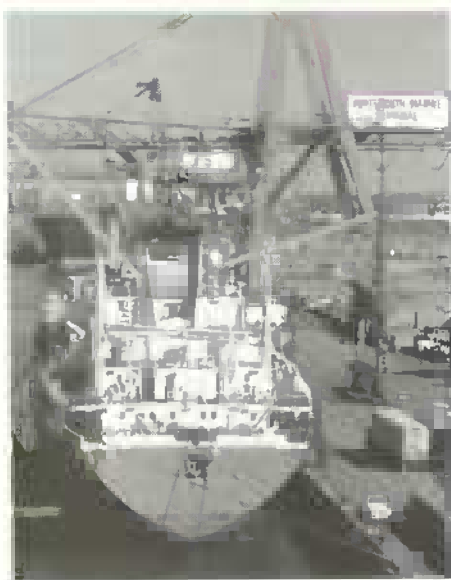
The following reports or summaries will be issued at 3 p.m. ET on the release dates shown.

October

- 6 Aquaculture*
- 13 Cotton and Wool Update
Hog Outlook
- 14 Oil Crops Update
- 19 Wheat*
Asia and Pacific Rim*
- 20 Agricultural Outlook*
- 21 Dairy Outlook
Livestock, Dairy and Poultry
- 24 Rice*
U.S. Agricultural Trade Update
Feed*

* Release of Summary

World Agriculture & Trade



Virginia Port Authority

Near-Record U.S. Ag Exports For 1995

Continued strong U.S. sales of high-value commodities (primarily livestock and horticultural products) will offset the declining value of bulk exports in fiscal year 1995 to push up total value of U.S. farm exports to \$43 billion, the highest since the record \$43.8 billion in fiscal 1981. High-value exports will surpass \$26 billion in fiscal 1995, up from \$25.5 billion in 1994.

Gains in consumer food products—meats, fruits and vegetables, and processed and prepared foods—will drive this advance. The value of intermediate high-value exports—such as animal feeds, soybean meal and oil, cattle hides, and seeds—which are used as farm inputs or processed into finished products, is expected to remain flat.

Bulk sales continue to constrain the value of U.S. exports, as lower grain and oilseed prices bring down the value. Strong domestic supplies, however, are projected to boost export volume 8 percent in 1995 for major bulk products (grains, soybeans, rice, and cotton).

Despite the optimistic outlook for export sales in 1995, the agricultural trade surplus is projected to decline. Sharp rises in world coffee prices are expected to propel an increase in the value of agricultural imports.

Economic Growth Buoy Trade Prospects

Stronger economic growth projected for 1995 is broadening global demand for a variety of consumer foods. World income is expected to rise over 3 percent in 1995, and economic growth will be even stronger in markets where U.S. food exports are expanding fastest, such as Mexico and some Pacific Rim countries. Rising incomes and changing dietary preferences are likely to increase demand for meats, fruits, and vegetables.

U.S. exports are benefiting from a dollar that is weaker relative to some major foreign currencies. This is particularly true in Japan where the dollar has dropped 20 percent below its 1992 level. With a lag of 1-2 years before the exchange rate changes exert full impact on exports and imports, the steady decline of the dollar

The Japanese Market

Japan remains a strong market for U.S. farm exports. But the composition of exports is likely to change, as Consumer preferences shift and global competitors court the Japanese market. *Special Article, page 26.*

is helping boost U.S. agricultural exports to Japan to record levels in 1994. Export prospects in 1995 are expected to be at least as good.

But in the overall trade picture, the dollar has actually strengthened on a trade-weighted basis since 1992. The dollar has strengthened relative to the currencies of two major agricultural trade partners—Canada and Mexico—countering some of the weakness vis-a-vis the yen and recent declines against European currencies.

The outlook for the dollar is relatively stable entering 1995, implying that income growth will likely be a key factor in export expansion.

NAFTA To Boost Exports to Mexico

Implementation of the North American Free Trade Agreement (NAFTA) will be in its second year during fiscal 1995. Increased market access, combined with strong economic growth in Mexico, holds the potential for further increases in U.S. exports to Mexico in 1995. Following the January 1994 implementation of NAFTA, U.S. agricultural exports to Mexico in 1994 moved up 10 percent above year-earlier levels, with some of the gain attributed to NAFTA.

As of January 1994, Mexico removed beef import tariffs, and in the January-June period the volume of U.S. beef exports to Mexico has surged 35 percent above year-earlier levels. The value of the exports jumped 53 percent as Mexico purchased higher quality cuts of beef. Mexico is poised to import more beef in 1995, although U.S. exports could be curtailed if Mexico's current investigation of the dumping of U.S. beef exports finds that the Mexican beef industry is injured and a countervailing duty is imposed on U.S. beef shipments.

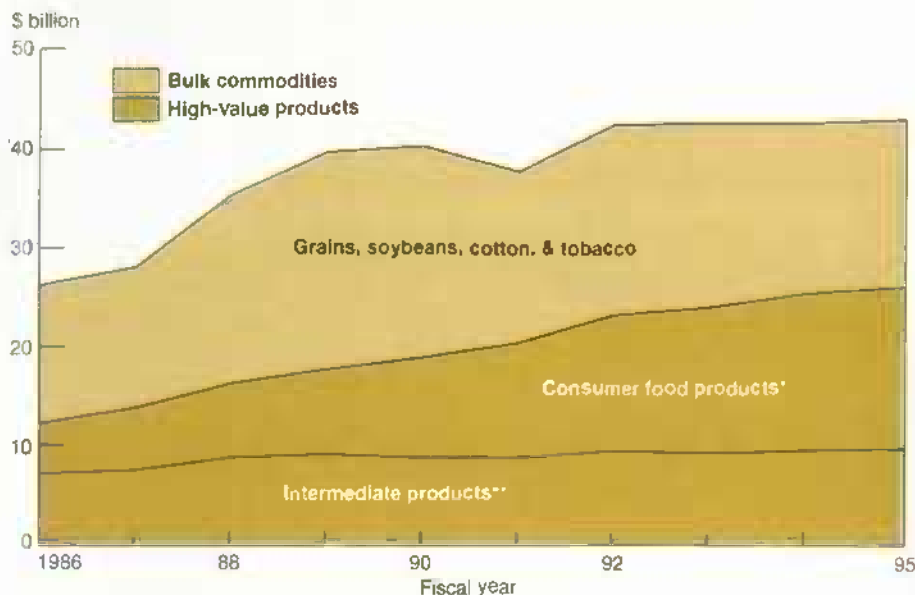
U.S. corn and poultry meat exports also gained significantly under NAFTA, entering Mexico now under a tariff-rate quota. The poultry meat quota was nearly filled by midyear 1994, and Mexico unilaterally boosted the quota from 95,000 tons to 265,000 tons. Fresh and processed fruit and vegetable exports are headed toward record levels in Mexico in 1994, and this expansion is projected to continue into 1995.

Meats & Produce To Drive Exports

Consumer food exports will lead high-value gains in 1995, with fruit, vegetables, beef, poultry meat, and chocolate products accounting for much of the expansion. This category of exports expanded 14 percent annually over the

World Agriculture & Trade

High-Value Products Account for Over 60 Percent of U.S. Ag Exports



1994 estimate, 1995 forecast

* Primarily meat, dairy, and horticultural products.

** Feed and fodder, oils, meal, hides and skins, and seeds.

1988-93 period, and in 1994 growth continues at 10 percent. Consumer food exports will surpass \$15 billion in 1994, and are anticipated to increase further in 1995.

Horticultural products, mainly fruits, vegetables, and nuts, constitute the largest component of consumer foods, and these are projected to increase 5 percent to a record \$8.3 billion in 1995. Strong growth in import demand from Asia and Latin America for U.S. processed vegetable products is expected to continue, following an increase of 20 percent in 1994. Exports of fresh and processed fruit and vegetables to Japan and Southeast Asia, as well as Mexico, are expected strong in 1994, an expansion projected to continue into 1995.

A new market opened for U.S. apples in June 1994, as the first commercial apple shipments were sent to China from Washington state—the culmination of a U.S.-China agreement allowing direct U.S. apple exports. Expectations are for shipments of 20,000 tons in the 1994/95 marketing year, a significant expansion over shipments totaling less than a few hun-

dred tons in earlier years. The government of Japan also announced it will allow imports of U.S. apples, opening another major Asian market, after 23 years of rebuffing U.S. efforts.

U.S. meat exports are projected to increase in 1995, boosting overall livestock product exports \$200 million to \$6.3 billion. Increased market access and growing incomes will likely continue expansion of beef exports into Japan, Korea, and Mexico in 1995. Korea has further liberalized its beef market by reducing government control and allowing private buyers to purchase directly from beef exporters. While all tariff reductions for beef under the 1988 Beef and Citrus agreement have already been implemented, Japanese beef imports are expected to rise as stronger incomes and changing food preferences push up per capita beef consumption. Strong income growth in other Asian markets will likely lead to more U.S. beef exports in 1995.

Continued export gains are expected for U.S. poultry meat exports. Poultry sales soared over 30 percent in 1994 because of strong demand in markets such as the former Soviet Union (FSU), Poland, Mexico, and Hong Kong.

Strong world demand for confectionery items is increasing export prospects for U.S. sugar, chocolate, and processed tropical products in 1995. U.S. chocolate exports are setting a record pace in 1994, and strong sales are expected to continue in 1995. The largest buyer of U.S. chocolate in 1994 has been the FSU, where demand for cheaper, imported chocolate has spurred imports since 1993. Exports of some other tropical products, such as coffee and cocoa processed in the U.S. and then exported, could increase in 1995 because of continued strong global demand, and rising commodity prices could boost export values.

Bulk Export Volume Up, Value Slightly Down

Stronger production of grains and oilseeds in 1995 will likely boost export volume of bulk commodities, but lower prices are expected to decrease export value. While bulk exports are projected to increase nearly 8 percent in fiscal 1995, the value is likely to decline slightly from the fiscal 1994 level of \$17 billion to around \$16.9 billion.

A steep reduction in imports by the FSU is a major reason for the lower U.S. grain exports in fiscal 1994. Shipments during October-June of fiscal 1994 were over 50 percent below 1993. That year, the U.S. exported 10 million tons of wheat and coarse grains to the FSU, compared with 15.5 million tons in fiscal 1992. Reduced consumption in the FSU livestock sector and cuts in waste have lowered demand considerably.

Export volume of U.S. coarse grains is projected to rise 10 percent to 42.8 million tons in fiscal 1995, although coarse grain exports are still considerably lower than in the early 1990's when exports averaged near 50 million tons. A bumper corn crop in 1994 will put downward pressure on corn prices, and could push the export value below 1994's level of \$4.5 billion. The large projected supplies and lower price should help the U.S. recover some market share, particularly in South Korea, which purchased large quantities of feed-quality wheat from Canada and Australia in fiscal 1994.

World Agriculture & Trade

Wheat exports are projected to rise slightly to 31.5 million tons, boosting export value up slightly, to \$4.3 billion. This projected increase in U.S. exports is due largely to an ongoing drought in Australia which has diminished exportable supplies.

Soybean and rice export volumes are projected to increase in fiscal 1995, while expected record production weakens prices and export values. Soybean export volume is projected to increase 15 percent to over 18 million tons, while the value falls \$300 million to \$3.8 billion. Rice exports in 1994 did not increase as initially expected, because many small buyers of U.S. rice were priced out of the market once Japan began purchasing rice and prices soared. Expanded U.S. production should increase exportable supplies, and export volume is expected to approach a record 2.7 million tons in 1995. Lower prices, however, will reduce the value of rice exports to \$800 million.

Cotton export volume is projected unchanged in 1995, but export value should rise to \$2.5 billion. Current strong cotton prices reflect production problems in major producing countries, rising world cotton consumption, and low world ending stocks. The U.S. is expected to maintain export levels, as competing countries will not yet return to normal export levels in 1995.

Imports To Rise, Reducing Trade Surplus

Imports are projected to increase 8 percent to a record \$27.5 billion, bolstered by a sharp rise in world coffee prices. Frosts in Brazil earlier this year have driven coffee prices to the highest level since 1986. The value of coffee imports is likely to reach \$4 billion, as U.S. roasters import coffee to meet current consumption.

Most other imports are expected to change little from 1993, except for grains and oilseeds. Grain and oilseed imports are projected to fall in 1995 due to increased U.S. production.

Despite the higher value of exports, the U.S. agricultural trade surplus is projected to decline nearly 10 percent to \$15.5 billion in fiscal 1995. Because of the sharp rise in the value of agricultural imports, the surplus is expected to contract to the lowest level since 1991.

[Joel Greene (202) 219-0816] **AO**

October Releases—USDA's Agricultural Statistics Board

The following reports are issued 3 p.m. ET on the dates shown.

October

- 3 Crop Progress*
- 4 Egg Products
Poultry Slaughter
- 5 Broiler Hatchery
Dairy Products
- 11 Crop Progress*
- 12 Broiler Hatchery
Cotton Ginnings
Crop Production
- 14 Milk Production
Turkey Hatchery
Vegetables
- 17 Crop Progress*
- 19 Broiler Hatchery
- 20 Catfish Processing
- 21 Cattle on Feed
Cold Storage
Livestock Slaughter
- 24 Chickens and Eggs
Crop Progress*
- 25 Cotton Ginnings
- 26 Broiler Hatchery
- 28 Catfish Production
Peanut Stocks and
Processing
- 31 Agricultural Prices
Crop Progress*
Rice Stocks

*After 4 p.m.

Farm Finance



Farm Income Prospects Improve

Strong prices during the first half of this year have resulted in a forecast of near-record crop receipts in 1994, and livestock receipts are expected up as well. With only a moderate increase in expenses this year, *net farm income* in 1994 could rebound 12-14 percent from last year's \$43.4 billion. And total income in farm operator households is expected to improve from last year as well.

On the other hand, *net cash income* will likely decline 4-6 percent from last year's record level of \$58.5 billion as prices drop from 1993's disaster-induced high levels. Net cash income measures sales during the calendar year regardless of when the marketed output was produced, while net farm income assesses the net value of calendar-year production, including the portion put in storage.

For 1995, net cash income could be steady or move down just slightly from this year, if production and prices return to trend levels and expenses continue to moderate. And with inventories being rebuilt this year following the natural

Farm Finance

disasters of 1993, there may be no net addition to inventories in 1995, causing net farm income to decline by 10 percent or more. However, total income in farm operator households is expected to continue improving through next year.

Receipts Increase, Expenses Up Slowly

Net farm income is expected to rebound considerably from last year. Net farm income—gross farm income minus total expenses—measures the profit or loss from a given year's production, and includes depreciation and the value of farm-grown food consumption as well as the value of additions to inventory.

Crop production losses from natural disasters caused a drawdown of \$3.6 billion in inventories last year, resulting in a drop in net farm income. With inventories being rebuilt and crop receipts expected to rise considerably, net farm income could rise 12-14 percent this year.

Net cash income will likely decline 4-6 percent in 1994 from last year's record level of \$58.5 billion. Although 1994 crop and livestock production and receipts are up from last year, government payments are expected to drop back to pre-flood levels. Net cash income—cash receipts, other farm-related income, and direct government payments minus cash expenses—reflects the availability of funds to cover operating costs, finance investments, maintain living standards, and pay taxes.

Crop and livestock receipts are expected up 3-5 percent from last year. Total crop receipts are forecast at \$88-\$92 billion in 1994, up 6-8 percent, as grain production shows a strong recovery from last year's flood levels. Overall livestock and dairy receipts are forecast between steady and a small rise, with strong production and prices in parts of the sector.

USDA's *Crop Production* report forecast this year's feed grain production up considerably from last year, and down only slightly from 1992's record. Wheat pro-

Farmers' Net Cash Income Down Slightly from 1993 Record

	1993	1994
	\$ billion	
Cash receipts:		
Crops	84.5	88-92
Livestock	90.6	89-93
Total	175.1	177-185
Other farm-related income	8.8	7-9
Direct government payments	13.4	8-10
Gross cash income	197.2	194-202
Cash expenses	138.7	139-145
Net cash income	58.5	53-57

1993 preliminary, 1994 forecast.

duction, however, is forecast steady to down 1 percent, with output gains for durum, hard spring, and soft red wheat not sufficient to offset smaller white wheat and hard winter wheat crops.

Prices expected for corn, soybeans, and other major crops are down from last year's high levels, but higher crop production points to stronger receipts for all major crops. If yields and prices hold as currently forecast, food grain receipts could rise 12-16 percent, feed grain receipts could rise 4-6 percent, and oilseed receipts 9-11 percent. The most dramatic change in receipts among the major crops could occur with cotton, as strong prices combine with possibly record production to push receipts to record levels.

The fruit, vegetable, and greenhouse subsectors, which contain hundreds of individual commodities, now account for over one-third of all crop receipts. Except for last year when fruit and nut receipts fell slightly, these subsectors have seen steady growth, and all three should see receipt increases for 1994.

On the livestock side, red meat, poultry, and milk production is forecast up in 1994. Overall livestock and dairy receipts are forecast at \$89-\$93 billion—between steady and a 2-percent rise from last year—as weakness in the red meat sector is offset by the stronger poultry and dairy sectors.

Although 1994 production is rising for cattle and hog producers, lower prices will likely lead to smaller cash receipts. And total red meat receipts are forecast steady to down 2 percent from 1993. On the other hand, poultry receipts should continue strong as production and prices continue increasing. Broilers make up nearly two-thirds of all poultry and egg receipts, and this subsector continues improving year after year. Milk receipts are expected up from the past 2 years.

Government payments are forecast down 35-40 percent from last year. For 1994, direct government payments for commodity programs, disaster assistance, conservation, and other programs are forecast in the range of \$8-\$10 billion, similar to the 1992 level.

Government payments had jumped from \$9.2 billion in 1992 to \$13.4 billion last year, due mainly to increased commodity payments for the 1992 feed grains program. And nearly \$1.5 billion in disaster payments was made in 1993, with \$900 million paid to flood and drought victims during the fourth quarter alone. Disaster claims are continuing to be settled this year. Most of the drop in expected 1994 payments is from declining 1993-crop feed grain payments, since high market prices early in the 1993/94 season have narrowed the margin for receiving commodity program payments.

Farm Finance

Farm expenses should move up moderately after the large 1993 increase. Production expenses for farmers and ranchers are forecast at a moderate 2-3-percent increase for 1994, following a rise of over 5 percent last year. Lower prices for cattle and hogs, pulling down cash receipts for red meat, are also leading to a drop in feeder livestock expenses. Lower feed costs are also helping livestock producers.

Most other expense categories will probably see slight increases in 1994. While interest expenses fell last year, they will likely return to near 1992 levels this year due to higher interest rates. And since most producers use credit, this expense increase will be felt by many.

Cash labor expenses rose 7 percent last year and are forecast to increase another 2-3 percent this year. Fruit and vegetable producers will be most affected by the increase in labor costs.

Household Earnings To Continue Improving

For 1994, total farm operator household income is expected up slightly from last year, with most of the improvement due to increased off-farm income. Nearly two-thirds of U.S. farms are small in terms of agricultural sales, and operator households depend on off-farm employment for most of their income. Last year's heavy rains, floods, and drought severely hurt families in the affected

areas—most income had to come from whatever off-farm income was available. On the other hand, farm-dependent households outside the disaster areas saw high incomes as a result of the disaster-induced high crop prices.

An examination of 739 Midwestern and 497 Southeastern primary disaster counties shows that, on average, 1993 net farm incomes fell 29 percent in those areas. The effects of the weather extended beyond the farms to local communities, especially in the Midwest. Over a third of the disaster counties in the Midwest are heavily dependent on farming (at least 20 percent of earned income comes from farming), while only 6 percent of Southeastern disaster counties fall into this category.

Commercial farms—which have annual agricultural sales of at least \$50,000—were hardest hit last year. Farmers in both disaster regions experienced declining net farm income, increasing income from government payments, and deteriorating financial positions. Fewer commercial farms were in the favorable financial category in 1993 than in the previous year, and fewer of these farms had a low debt-to-asset ratio.

For 1995, total farm operator household income could improve again, with gains in farm income as well as off-farm income, especially if the nonfarm economy remains strong.

[Bob McElroy (202) 219-0802] **AO**

Food & Marketing



Moderate Food Price Increase In 1994

The Consumer Price Index (CPI) for food in 1994 will continue to increase at a slower pace than the overall rate of inflation, as it has since 1991. However, with higher marketing costs and coffee prices, the index should increase slightly more than 1993's 2.2 percent. The CPI for food is currently forecast to rise 2 to 3 percent in 1994, below the 10-year annual average increase of 3.5 percent.

The effects of the curtailed coffee crop will persist into 1996 and provide the main impetus for higher food prices next year. However, aggregate food prices will likely continue to increase at a slightly slower pace than the overall rate of inflation.

Red meat supplies should remain large through next year, resulting in lower prices for these commodities. Supplies of most fruits and vegetables are also expected to be ample, further restraining food price increases. A large grain crop

In the November Agricultural Outlook . . .

- The new cornucopia of produce

PLUS

- Providing farm credit to beginning farmers
- How the U.S. corn market is changing
- An update on U.S. commodity export programs

Food & Marketing

Low Meat Prices Moderate Food Price Increase In 1994

Consumer Price Index	1992	1993	Forecast 1994
	<i>Percent change</i>		
All food	1.2	2.2	2.4
Food away from home	2.0	1.8	1.7
Food at home	0.7	2.4	2.7
Meat, poultry, and fish	-0.8	3.3	0.8
Meats	-1.4	3.0	0.0
Beef and veal	-0.1	3.6	-0.7
Pork	-4.7	3.1	0.7
Other meats	0.2	1.6	1.1
Poultry	-0.1	4.2	1.6
Fish and seafood	2.3	3.2	4.3
Eggs	-10.6	8.1	-1.1
Dairy products	2.7	0.7	2.2
Fats and oils	-1.4	0.2	3.2
Fresh fruits and vegetables	-0.3	2.3	2.6
Fresh fruits	-5.0	2.5	5.3
Fresh vegetables	2.3	6.6	-0.6
Processed fruits and vegetables	2.7	-1.6	2.8
Processed fruits	4.5	-3.9	1.2
Processed vegetables	0.2	1.6	5.0
Sugar and sweets	2.9	0.2	1.6
Cereals and bakery products	3.9	3.4	4.3
Nonalcoholic beverages	0.2	0.3	9.4
Other prepared foods	2.2	2.6	2.7

Sources: Historical data, Bureau of Labor Statistics; forecast by Economic Research Service, USDA.

will not only mean lower farm commodity costs for manufacturers of cereal and bakery products, but will also reduce livestock feed costs. Marketing cost increases should remain moderate, reflecting modest inflationary pressures throughout the economy.

Brazil Frost Raises Coffee Prices

Abundant supplies of most farm commodities are restraining food price increases, with coffee the only major source of food price inflation. Retail coffee prices surged 22 percent in August in response to two major frosts that hit Brazilian coffee producers in late June and early July.

Brazil accounts for approximately 25 percent of global coffee production. Reports by the Brazilian government and USDA that the recent freeze destroyed as

much as 40 percent of next year's crop sent the producer price index for coffee soaring. The index for coffee jumped 40 percent in July, followed by an increase of only 11.7 percent in August. Retail prices will continue to increase during the next few months, but the rate is also likely to slow. Coffee comprises 27 percent of the CPI for nonalcoholic beverages, but only 1.2 percent of the index for all food.

Abundant meat supplies are restraining overall rises in food prices. The CPI for meats in 1994 is forecast to remain about the same as last year. The price of meat, accounting for approximately 12.7 percent of the CPI for food, is largely responsible for dampening the rise in the all-food CPI. Record slaughter weights have raised beef production and are largely responsible for beef price declines. Beef supplies are expected to remain large through the fall and into 1995. Pork supplies also remain large in the face of record pork production.

Poultry prices are expected to average 1.6 percent higher in 1994. Despite large broiler production and large supplies of competing meats, poultry prices are being driven by greater sales of rotisserie chicken in the fast-food market and by heavy export demand, especially for leg quarters.

Higher prices for navel oranges and early-season Valencias, as well as flood-reduced supplies of vegetables for processing, pushed up the Consumer Price Indexes for fresh fruit and processed vegetables during the first 6 months of 1994. This increase is expected to be mitigated later in the year by increasing supplies of fresh and processed vegetables. Harvested acreage is up for carrots, sweet corn, lettuce, onions, melons, and fall potatoes. Supplies of most fruits are higher as a result of a large California crop—particularly apricots, cherries, and plums. Fresh apple production is also expected to increase in 1994, especially in the West, and should offset a relatively small crop in the East.

Away-from Home Retail Sales Increase

Sales data reported by the U.S. Bureau of the Census suggest that consumers are purchasing more of their food in restaurants than last year. Sales at eating and drinking places rose about 6 percent during the first 8 months of 1994. When these expenditures were adjusted for the 1.7-percent rise in menu prices, they were still 4.3 percent higher than in the first 8 months of 1993. While spending for food purchased at grocery stores increased 3.5 percent in current dollars, it was only 0.7 percent higher in real dollars.

Stronger growth in away-from-home sales in 1994 can be explained by higher employment levels and a historically small increase in menu prices. The 1.7-percent increase in menu prices in 1994 is roughly the same as the rise recorded in 1993, the smallest increase of the last 29 years. Moreover, fast-food sales are increasing as chains offer special value meals.

Higher employment levels have increased household income and reduced the amount of time available to prepare food at home, boosting the percentage of meals consumed at restaurants. The stronger economy is encouraging consumers to increase purchases of meals in restaurants over meals at home—a spending pattern prevalent for most years prior to the 1990-91 recession.

Marketing Costs Move Up Slowly

Although farm commodity prices are the most variable component of food prices, they comprise only 22 percent of the consumer food dollar. Marketing costs account for the remaining 78 percent. The farm-to-retail price spread measures marketing costs—the charges for assembling, processing, transporting, and retailing added to the value of farm products after they leave the farm.

The farm-to-retail spread widened in the first half of 1994, and stood 4.1 percent higher than a year earlier. The increase,

which is still smaller than the annual average increase of the last 5 years, reflects a rise in the cost of marketing farm products and lower farm commodity prices during the first half of 1994.

Spreads for most commodity groups were higher, with the exception of fresh vegetables and fats and oils. Meats and fresh fruits posted the largest increases, reflecting large drops in farm value combined with higher retail prices for these commodities. A review of USDA's Food Marketing Cost Index (FMCI) partially explains the increasing price spreads. The FMCI was 2 percent higher in the first half of 1994 than a year earlier, rising less than the 2.7-percent annual average of the last 5 years.

Labor, packaging, energy, and transportation posted moderate increases averaging 1.9 percent. Together, these comprise about three-quarters of the FMCI. Most categories of marketing inputs were only moderately higher during the first half of 1994 than a year earlier, holding down increases in the aggregate cost of marketing inputs.

Labor costs account for 47 percent of total marketing charges, and with moderate labor cost increases in 1994, the rise in aggregate marketing costs has been restrained. Data generated by the Bureau of Labor Statistics suggest that the higher cost of employee benefits is primarily responsible for increased labor expenditures, since overall compensation increased at a faster rate than wages and salaries. Data for the first half of 1994 indicate that total compensation in food stores rose 3 percent—about the same as a year earlier, but smaller than the annual average increase of the last 5 years. A 2.1-percent rise in wages and salaries was slightly lower than a year earlier.

Marketing costs tend to increase sluggishly, and generally reflect the overall rate of inflation. Since aggregate prices are not expected to increase at a rapid pace, marketing costs should place little pressure on food prices for the remainder of 1994.

[Howard Elitzak (202) 219-1254] **AO**

Coming in November!

Agricultural Resource and Environmental Indicators

ERS' newest basebook contains a wealth of information covering a broad range of subjects in resource and environmental economics. Topics include land use, quality, and ownership; farm real estate values; water use and quality; fertilizer, pesticides, energy, and farm machinery; technology; and the conservation reserve, compliance, wetland, water quality, and non-USDA programs that affect agriculture. Each topic is covered in modular format, with clear-cut, concise charts and tables to illustrate the subject.

Reserve your copy now!

Stock # AREI \$18.00

Special Article



U.S. Meat Export Federation

Japan Remains Strong Market For U.S. Ag Exports

Japan is expected to remain a promising market for U.S. food producers and processors through the end of the century because of its size and potential for expansion. However, changing Japanese consumer attitudes, farm output, purchasing power, dietary preferences, as well as market deregulation, will likely continue to alter the composition of U.S. farm exports to Japan. In addition, the U.S. will likely face stiffer competition in the Japanese market from other exporters as trade barriers are eliminated.

In 1993, Japan imported more than \$30 billion in agricultural products, not counting \$15 billion in fish and shellfish and \$15 billion in forestry products. The U.S. has accounted for a large share of Japan's agricultural imports for many years. After falling to a low of one-third in 1986, the U.S. share of Japan's total agricultural imports rose to nearly 40 percent by the early 1990's.

Japan is the largest export market for U.S. food growers and processors, comprising consistently over one-fifth of all U.S. farm exports. U.S. farm sales to Japan in fiscal 1994, estimated to be \$9.3 billion, are expected to set another record. For many

years Japan has been the largest export market for several U.S. agricultural commodities, including corn, soybeans, tobacco, beef, citrus, and pork.

However, other countries have recently replaced Japan as leading buyers of certain other important U.S. export commodities. For example, in fiscal 1993 Hong Kong replaced Japan as the top market for U.S. poultry, and South Korea became the leading U.S. market for cotton. South Korea became the top-ranking U.S. market for cattle hides in the mid-1980's after Japan's higher labor costs made its tanning industry less competitive. A similar pattern occurred in Japan's textile industry. Labor costs in South Korea have recently risen, making Southeast Asia and China more favorable overseas locations for Japanese manufacturers.

Although U.S. agricultural trade with Japan still relies heavily on bulk commodities such as grain and soybeans, the U.S. since the mid-1980's has expanded its exports of processed and high-value products (HVP's), including beef and citrus. HVP's are agricultural products other than raw grains, oilseeds, cotton, and tobacco.

While Japan's HVP imports from all sources have been rising steadily for more than two decades, they accelerated after 1985. Several factors were behind this speedup, including tariff reductions, deregulation of cigarette imports, the 1988 Beef-Citrus Agreement, a GATT agreement that removed or expanded quotas for some processed farm products, and the substantial appreciation of the yen.

Japan and Western Europe were the two leading markets for U.S. HVP's from fiscal 1989 through 1992. In 1993, Japan was second to Canada (Western Europe was third), with HVP imports from the U.S. totaling \$4.8 billion, accounting for over half of U.S. farm exports to Japan. The top five U.S. high-value products exported to Japan in fiscal 1993 were beef, feed and fodder, fresh fruit, variety meats, and pork.

Japan is the largest foreign market for U.S. processed foods, followed by Canada and Mexico. Processed foods include fish products and distilled spirits, but exclude some intermediate-processed products like hides and skins, so that the total differs from those for high-value exports. According to USDA's Economic Research Service (ERS), processed food exports to Japan from U.S.-based companies were \$5.3 billion in 1991, a quarter of total U.S. processed food exports. Western Europe provides the strongest competition for U.S. processed food sales abroad.

Competition Intensifies In Japanese Market

After enjoying a dominant position in the Japanese import market for several decades, U.S. exporters faced new challenges as bulk items became relatively less important in total agricultural imports, and new lower cost suppliers arose. The U.S. in par-

ticular benefited from rising import demand for food products in Japan after World War II. The enormous capacity of the U.S. to provide the war-torn country large volumes of wheat, feed grains, soybeans, cotton, and tobacco gave the U.S. an early edge over rival suppliers.

Countries which have already emerged as strong U.S. competitors include Thailand, Brazil, and China for poultry meat; Taiwan and Denmark for pork; China and Argentina for corn; Argentina for sorghum; Brazil for soybeans; China and Brazil for soybean meal; and China, India, Pakistan, the former Soviet Union (FSU), and Australia for cotton.

Several factors account for the increased competition U.S. agricultural exporters are expected to face in Japan. First, *with fewer barriers (tariff and nontariff) to agricultural imports in Japan, food exporters from many countries are seeking to expand trade opportunities there.* Exporting countries which are making greater efforts to promote their food products in Japan include Australia, Canada, New Zealand, and the European Union (EU)—especially France.

These countries are vigorously promoting a wide variety of food products, including beef, pork, lamb products, cheese and other dairy products, fruits, nuts, vegetables, alcoholic beverages (mainly wine), seafood, and other processed foods. Competitor promotions in recent years have centered on gaining consumer awareness of a product or its special attributes—"Aussie Country" beef from Australia is an example.

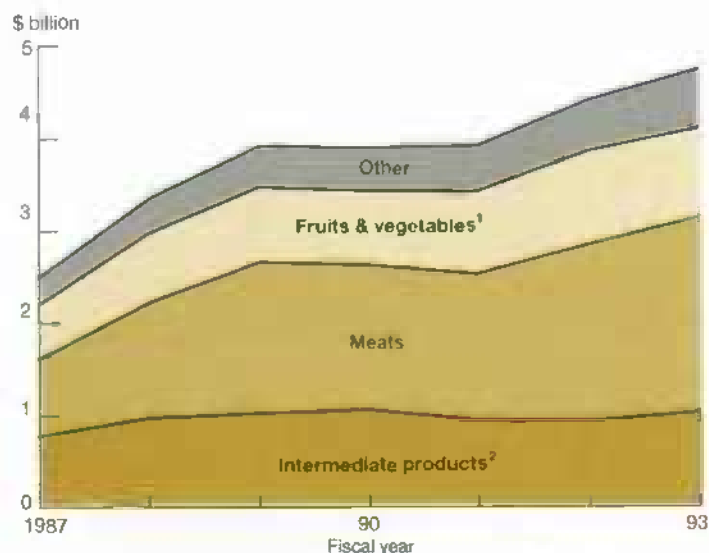
Second, *Japanese food processors have stepped up investment in manufacturing plants overseas, where costs are lower, to tap the host country's market as well as to produce for export home and to other countries.* Many of these plants are located in Southeast Asia and China. For example, a Japanese firm has made investments in China to produce concentrated apple juice for the Japanese market. Japan also has food industry facilities in many other countries, including the EU and the U.S.

In response, U.S. commodity marketers have made efforts to expand U.S. trade opportunities in Japan through the Market Promotion Program (MPP), a "nonprice" program established in the 1990 Farm Act. Under the MPP, USDA shares the costs of promotions with commodity and regional trade associations and eligible companies. These trade associations and companies conduct the promotion activities.

These consumer promotions for U.S. food products in Japan typically involve store and restaurant demonstrations and displays, media advertising and recipes, and other consumer-related activities. Promoters also teach Japanese food marketers and restaurateurs new ways to prepare and serve U.S. products.

From 1990 through 1992, Japan accounted for \$177 million, or 30 percent, of the expenditures of MPP and its predecessor, the Targeted Export Assistance Program. More recently, USDA has begun to help private sector marketers introduce U.S. food and beverages to key retailers and wholesalers in regional markets throughout Japan, especially outside Tokyo.

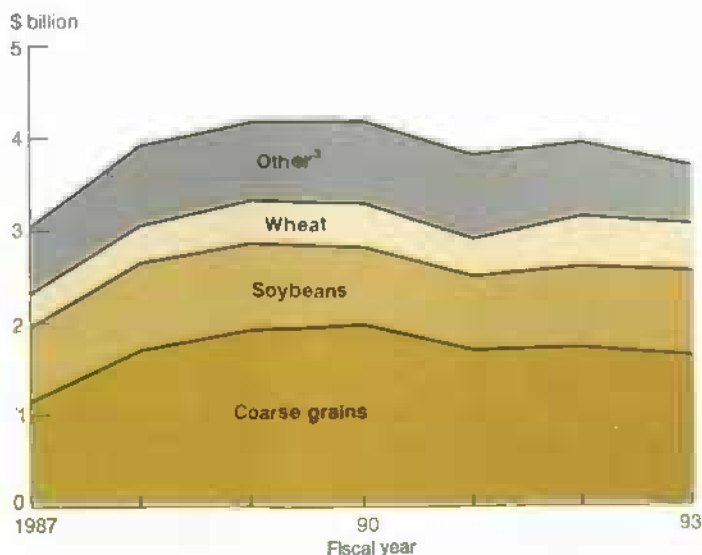
U.S. High-Value Ag Exports to Japan Have Almost Doubled Since 1987 . . .



¹Includes processed and juice. ²Primarily feed and fodder, and animal hides

Source: Foreign Agricultural Service, USOA.

. . . While Bulk Exports Have Generally Levelled Off



³Primarily cotton and tobacco.

Special Article

More Meat & Dairy Products In Japanese Diet

Changes in Japanese food consumption patterns will have a strong bearing on the agricultural trade outlook for Japan. While total per capita daily intake of the Japanese has stabilized in recent years at about 2,600 calories, the caloric composition has altered somewhat over the past four decades. First, Japanese are consuming greater amounts of livestock products—red meats, poultry and eggs, and dairy foods—although these levels remain considerably below those in the U.S., Australia, New Zealand, and some other Asian countries such as Singapore, Hong Kong, and Taiwan.

Second, per capita consumption of fish and shellfish—traditionally, and still, more important than meat in the Japanese diet—jumped more than 40 percent from 1955 to 1990. Although per capita consumption has since leveled off, there has been a change in the type of fish consumed, with a shift away from lower priced fish and an increase in demand for higher valued seafood such as salmon, tuna, shrimp, and lobster.

Japan's per capita consumption of fats and oils, while still only about half of the daily intake in a typical U.S. diet, increased substantially from 1955 through 1990. However, Japan's already high per capita consumption of fruit and vegetables has leveled off since the early 1970's. Sugar consumption has declined since peaking in 1973, as other sweeteners (including high-fructose corn syrup) have partly substituted for sugar. In addition, the Japanese diet today contains more processed foods, such as pasta, ham, bacon, catsup, and fruit beverages.

At the same time, the average Japanese is consuming less grain. Although per capita wheat consumption increased modestly from 1955 to 1970, per capita consumption of rice, a food staple, has been declining steadily since the early 1960's, and consumption of corn and barley (for food) has declined drastically since 1955.

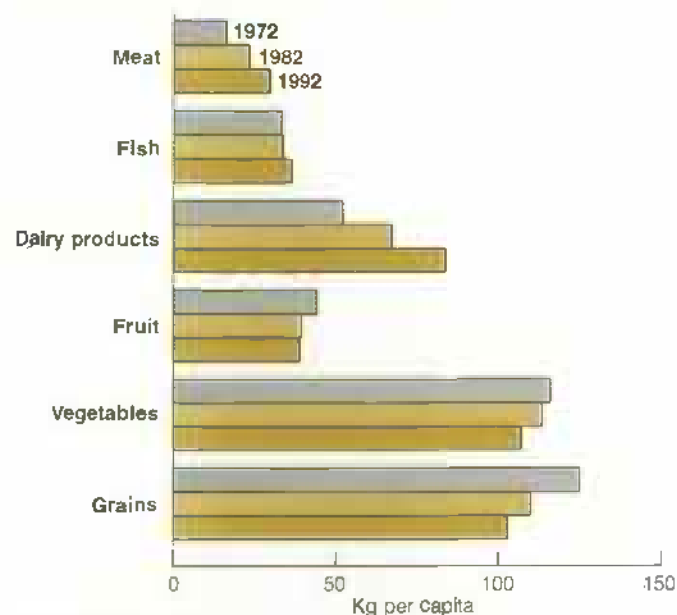
These food consumption trends are likely to continue into the early 21st century. Imports of high-value products should expand and increase as a share of total imports.

Consumers Demand Convenience & Speed

Several noticeable shifts in food consumption patterns in Japan are likely to intensify by the end of this century. First, because the proportion of older consumers in the population will be higher, demand for foods that are easily prepared, such as pre-cooked frozen foods, is forecast to grow. The precooked frozen food market in Japan is already very large (worth about \$3.4 billion in 1993), and imports account for nearly 10 percent.

Second, several factors indicate a growing demand for convenience foods. These factors include more women entering the workforce, more homes with microwave and toaster ovens, and

Japanese Consumers Have Increased Their Intake of Meat and Dairy Products



1 kg = 2.2046 pounds.

Source: Japanese Ministry of Agriculture, Forestry and Fisheries

an increased number of single households. As a result, excellent export opportunities exist for companies geared to supplying convenience foods or semiprocessed inputs to Japanese food manufacturers.

This is also true for the food-service industry (hotel, restaurant, and institutional trade). Japan's food-service industry is very large, generating \$255 billion in sales in 1993, with imported food and beverages accounting for roughly 10 percent of total sales.

Finally, while Japanese today are consuming a greater variety of foods and are more adventurous about trying new flavors and cuisines than in the past, in the frozen food sector consumers are turning increasingly to traditional Japanese-style cuisine (such as fried tempura, as well as rice and noodle products). In contrast to this renewed popularity of traditional Japanese dishes, demand for hamburgers and fried chicken has leveled off.

Population growth and economic expansion are likely to have little effect on food consumption patterns and total food demand in Japan. This is because for many food products, income growth will have only a small effect on consumption, due to already high per capita consumption levels. According to ERS projections, consumer responsiveness to income growth is forecast to decline over the decade for beef, pork, and poultry meat.

If more of the benefits (lower prices) of a strong yen were passed on to consumers, some additional rise in food consumption spending might occur. But this would depend to a large measure on the progress Japan makes in deregulating its distri-

bution sector. An official task force on deregulation in June 1994 urged the government to halve by the end of the decade the gap between Japan's high cost of living and that in the U.S. and Europe. Living expenses in Japan are currently 36 to 50 percent higher than in the U.S. and Europe.

Recent changes in Japan's distribution sector include more discount retailers, and initiatives by supermarkets to sell products at lower prices by developing their own brands and relying more on imports. These developments increasingly pose a threat to Japan's existing network of small shopkeepers and multilayered distribution system. But the changes could lower overall food prices in Japan, possibly spurring additional consumption and agricultural trade.

Japan's Food Output To Grow Slowly

Japan has become less self-sufficient in food production during the last four decades. Although yields are high for many crops—partly as a result of heavy fertilizer use—limited arable land and rising food needs have required greater imports of nearly all agricultural commodities. The exception is fats and oils: the proportion of domestic needs met domestically for fats and oils increased from 1955 through 1990, mainly because of rapid growth in Japan's oilseed crushing industry, which relies almost entirely on imported oilseeds.

It is unlikely, even if major policy reforms now being considered are implemented, that Japanese farm output will increase significantly in the coming years. Currently, greater farming efficiency is impeded by the small size and scattered arrangement

of farmland, and by high input costs. In addition, regulations imposed by the government, combined with the extensive agricultural cooperative system, limit farmers' ability to make decisions regarding production, pricing, and marketing.

These factors have contributed to an exodus of young people from the farms, leaving fewer, and older, people to continue farming full time. Proposed reforms may not go far enough to improve Japanese agriculture's competitiveness substantially, leaving the door open even wider for imports in the future.

Moreover, heightened concern about agriculture's effects on the environment (mainly water pollution from chemicals—mostly nitrogen—in fertilizers and livestock waste) has caused fertilizer use in Japan to decline slightly since the mid-1980's. As a result, yields for many crops (including rice) may have peaked, and could even decline if fertilizer use is reduced further.

Research by ERS suggests that if Japanese livestock farmers were to comply with restrictions similar to the "nitrate directive" approved by the EC Agricultural Commission in 1991 on the use of nitrogen from animal waste and chemical fertilizers, they would have to reduce animal inventories by one-fifth. Depending on the responses of the government and Japanese farmers to environmental problems, production of certain crops and livestock could decline significantly in the future, implying an even greater need for some imports (especially pork and poultry meat, food grains, and other crops). On the other hand, it could mean a steeper decline in imports of other commodities (e.g., feed grains) than previously forecast.

[Lois Caplan (202) 219-0615 and Fawzi Taha (202) 501-8451]

AO

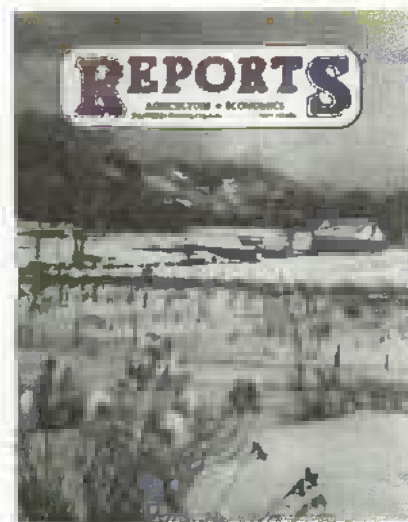
Stay current on...

Agricultural and economics statistics and analysis.
Commodity analysis. Food consumption. Foreign trade.
Biotechnology. Rural development. Banking. Land use.

Reports catalog lists monographs and periodicals available from USDA's economics agencies. For a free subscription to this quarterly catalog, write to:

ERS-NASS
341 Victory Drive
Herndon, VA 22070

Or call toll free, 1-800-999-6779
(in the U.S. and Canada; other areas call 703-834-0125).



Statistical Indicators

Summary Data

Table 1.—Key Statistical Indicators of the Food & Fiber Sector

	1993	1994					1995		
	Annual	I	II	III F	IV F	Annual F	I F	II F	Annual F
Prices received by farmers (1977=100)	143	148	142	134	—	—	—	—	—
Livestock & products	182	181	154	148	—	—	—	—	—
Crops	123	134	130	119	—	—	—	—	—
Prices paid by farmers, (1977=100)									
Production items	179	181	184	181	—	—	—	—	—
Commodities & services, interest, taxes, & wages	195	198	200	199	—	—	—	—	—
Cash receipts (\$ bil.) 1/	175	177	185	—	—	—	—	—	—
Livestock (\$ bil.)	91	90	87	—	—	—	—	—	—
Crops (\$ bil.)	85	87	98	—	—	—	—	—	—
Market basket (1982-84=100)									
Retail cost	142	145	145	—	—	—	—	—	—
Farm value	105	106	102	—	—	—	—	—	—
Spread	182	186	168	—	—	—	—	—	—
Farm value/retail cost (%)	26	26	25	—	—	—	—	—	—
Retail prices (1982-84=100)									
Food	141	143	144	—	—	—	—	—	—
At home	140	143	143	—	—	—	—	—	—
Away from home	143	145	145	—	—	—	—	—	—
Agricultural exports (\$ bil.) 2/	42.8	11.1	10.3	9.3	—	42.5	—	—	43.0
Agricultural imports (\$ bil.) 2/	24.5	8.8	8.8	5.7	—	25.5	—	—	27.5
Commercial production									
Red meat (mil. lb.)	40,588	10,083	10,431	10,711	10,752	41,977	10,575	10,895	43,447
Poultry (mil. lb.)	27,539	8,890	7,351	7,442	7,295	28,978	7,145	7,715	30,170
Eggs (mil. doz.)	5,960	1,498	1,513	1,520	1,550	6,081	1,610	1,520	6,125
Milk (bil. lb.)	151.0	37.7	40.0	38.3	37.6	153.5	38.8	40.8	156.2
Consumption, per capita									
Red meat and poultry (lb.)	207.6	50.6	52.1	53.8	54.9	211.4	52.4	53.8	217.1
Corn beginning stocks (mil. bu.) 3/	1,100.3	2,113.0	5,936.5	3,995.7	2,358.2	2,113.0	824.0	—	824.0
Corn use (mil. bu.) 3/	8,476.1	2,525.7	1,948.8	1,643.8	1,536.7	7,855.0	—	—	8,485.0
Prices 4/									
Choice steers—Neb. Direct (\$/cwt)	78.36	73.10	68.79	66-67	69-72	69-70	66-72	67-73	66-72
Barrows & gilts—IA, So. MN (\$/cwt)	46.10	45.78	42.90	40-41	38-40	42-43	38-42	39-43	38-42
Broilers—12-city (cts./lb.)	55.2	55.1	60.0	58-57	54-56	58-57	52-56	53-57	52-56
Eggs—NY gr. A large (cts./doz.)	72.5	71.5	63.3	67-68	70-74	68-69	66-72	60-66	64-70
Milk—all at plant (\$/cwt)	12.80	13.57	13.03	12.50-12.70	13.15-13.65	13.05-13.25	12.35-13.15	11.20-12.20	11.85-12.85
Wheat—KC HRW ordinary (\$/bu.)	3.59	3.81	3.63	—	—	—	—	—	—
Corn—Chicago (\$/bu.)	2.38	2.97	2.75	—	—	—	—	—	—
Soybeans—Chicago (\$/bu.)	6.18	6.77	6.71	—	—	—	—	—	—
Cotton—Avg. spot 41-34 (cts./lb.)	55.4	70.7	77.4	—	—	—	—	—	—
	1986	1987	1988	1989	1990	1991	1992	1993	1994
Farm real estate values 5/									
Nominal (\$ per acre)	640	599	632	661	668	681	684	699	744
Real (1982 \$)	568	518	530	533	517	505	487	485	503

1/ Quarterly data seasonally adjusted at annual rates. 2/ Annual data based on Oct.-Sept. fiscal years ending with year indicated. 3/ Sept.-Nov. first quarter; Dec.-Feb. second quarter; Mar.-May third quarter; Jun.-Aug. fourth quarter; Sept.-Aug. annual. Use includes exports & domestic disappearance. 4/ Simple averages, Jan.-Dec. 5/ 1990-94 values as of January 1. 1986-89 values as of February 1. F = forecast, — = not available.

U.S. & Foreign Economic Data

Table 2.—U.S. Gross Domestic Product & Related Data

	Annual			1993			1994	
	1991	1992	1993	II	III	IV	I	II
\$ billion (quarterly data seasonally adjusted at annual rates)								
Gross domestic product	5,724.8	6,020.2	6,343.3	6,299.9	6,359.2	6,478.1	6,574.7	6,685.5
Gross national product	5,740.8	6,025.8	6,347.8	6,303.3	6,367.8	6,476.2	6,574.0	6,680.3
Personal consumption expenditures	3,902.4	4,136.9	4,378.2	4,347.3	4,401.2	4,489.6	4,535.0	4,587.3
Durable goods	456.8	492.7	538.0	531.2	541.9	562.8	576.2	581.8
Nondurable goods	1,257.9	1,295.5	1,339.2	1,334.2	1,340.2	1,355.2	1,368.9	1,381.0
Clothing & shoes	213.0	227.7	235.4	233.2	235.9	240.7	241.9	244.0
Food & beverages	821.5	826.8	849.7	848.0	851.7	860.8	867.9	875.7
Services	2,188.1	2,348.7	2,501.0	2,481.9	2,519.1	2,551.6	2,589.9	2,624.5
Gross private domestic investment	744.8	788.3	882.0	869.7	882.2	922.5	986.6	1,031.7
Fixed investment	746.6	785.2	866.7	851.1	868.3	913.5	942.5	967.5
Change in business inventories	-1.8	3.0	15.4	18.6	13.9	9.0	24.1	64.2
Net exports of goods & services	-19.9	-30.3	-65.3	-63.3	-77.0	-71.2	-86.7	-99.8
Government purchases of goods & services	1,097.4	1,125.3	1,148.4	1,146.3	1,152.9	1,157.2	1,159.8	1,166.3
1987 \$ billion (quarterly data seasonally adjusted at annual rates)								
Gross domestic product	4,867.6	4,979.3	5,134.5	5,105.4	5,139.4	5,218.0	5,261.1	5,310.2
Gross national product	4,882.3	4,985.7	5,140.3	5,110.1	5,148.4	5,218.7	5,262.7	5,308.3
Personal consumption expenditures	3,259.4	3,349.5	3,458.7	3,439.2	3,472.2	3,506.2	3,546.3	3,558.6
Durable goods	425.3	452.6	489.9	483.7	492.7	510.8	521.7	523.3
Nondurable goods	1,047.7	1,057.7	1,078.5	1,074.3	1,081.7	1,088.0	1,098.3	1,103.9
Clothing & shoes	184.7	193.2	197.8	196.1	198.6	202.4	203.8	205.0
Food & beverages	518.8	514.7	524.0	522.3	525.1	528.1	531.6	536.3
Services	1,786.3	1,839.1	1,890.3	1,881.2	1,897.8	1,907.4	1,926.3	1,931.3
Gross private domestic investment	683.8	725.3	819.9	806.2	821.8	862.5	898.9	948.2
Fixed investment	684.9	722.9	804.6	787.3	808.8	851.7	873.4	891.9
Change in business inventories	-1.1	2.5	15.3	18.9	13.0	10.8	25.4	56.3
Net exports of goods & services	-19.5	-32.3	-73.9	-69.3	-86.3	-82.2	-104.0	-112.9
Government purchases of goods & services	944.0	936.9	929.8	929.3	931.8	931.5	919.9	916.3
GDP implicit price deflator (% change)	3.8	2.8	2.2	1.6	1.0	1.3	2.9	2.9
Disposable personal income (\$ bil.)	4,236.8	4,605.8	4,688.7	4,678.6	4,700.5	4,777.6	4,832.8	4,904.6
Disposable per. income (1987 \$ bil.)	3,538.5	3,648.1	3,704.1	3,701.3	3,708.4	3,747.8	3,779.2	3,804.7
Per capita disposable per. income (\$)	16,766	17,836	18,153	18,141	18,174	18,421	18,568	18,819
Per capita dis. per. income (1987 \$)	14,003	14,279	14,341	14,351	14,338	14,451	14,535	14,598
U.S. population, total, incl. military abroad (mil.) 1/	252.6	255.5	258.2	257.8	258.5	259.2	259.9	260.5
Civilian population (mil.) 1/	250.5	253.5	258.4	256.0	256.7	257.5	258.1	258.8
	Annual			1993			1994	
	1991	1992	1993	July	Apr	May	June	July P
Monthly data seasonally adjusted								
Industrial production (1987=100)	104.1	106.5	110.9	110.9	116.0	116.3	116.9	117.2
Leading economic indicators (1987=100)	97.1	98.1	98.7	97.9	101.2	101.3	101.5	101.5
Civilian employment (mil. persons) 2/	116.9	117.6	119.3	119.4	122.3	122.9	122.4	122.5
Civilian unemployment rate (%) 2/	6.6	7.3	6.7	6.7	6.4	6.0	6.0	6.1
Personal income (\$ bil. annual rate)	4,860.3	5,154.3	5,375.1	5,356.1	5,634.5	5,655.7	5,663.0	5,692.9
Money stock—M2 (daily avg.) (\$ bil.) 3/	3,455.3	3,509.0	3,567.9	3,533.7	3,591.8	3,595.2	3,587.9	3,601.9
Three-month Treasury bill rate (%)	5.42	3.45	3.02	3.05	3.74	4.19	4.18	4.39
AAA corporate bond yield (Moody's) (%)	8.77	8.14	7.22	7.17	7.88	7.99	7.97	8.11
Housing starts (1,000) 4/	1,014	1,200	1,288	1,245	1,471	1,491	1,351	1,415
Business inventory/sales ratio	1.54	1.50	1.45	1.46	1.40	1.41	1.41	—
Sales of all retail stores (\$ bil.) 5/	1,863.0	1,959.1	2,081.6	173.2	183.4	183.4	184.9	184.8
Nondurable goods stores (\$ bil.)	1,209.5	1,251.8	1,297.0	107.8	111.0	111.5	112.3	112.5
Food stores (\$ bil.)	379.3	382.4	392.4	32.6	33.3	33.6	33.5	33.7
Eating & drinking places (\$ bil.)	194.1	200.6	211.0	17.8	18.5	18.6	18.8	19.0
Apparel & accessory stores (\$ bil.)	97.3	104.1	106.1	8.8	8.8	8.8	9.0	8.9

1/ Population estimates based on 1990 census. 2/ Data for 1994 are not directly comparable with data for 1993 and earlier years. 3/ Annual data December of the year listed. 4/ Private, including farm. 5/ Annual total. P = preliminary. — = not available.

Information contact: Ann Duncan (202) 501-8541.

Table 3.—World Economic Growth

	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993 E	1994 F	1995 F	Average 1984-93
Real GDP, annual percent change													
World	4.3	3.3	2.7	3.1	4.4	3.3	2.2	0.7	2.0	1.7	2.8	3.1	2.8
World, less U.S.	3.6	3.4	2.7	3.1	4.0	3.0	2.7	1.2	1.8	1.1	2.5	3.2	2.8
Developed	4.3	3.2	2.7	3.1	4.4	3.3	2.4	0.9	1.7	1.0	2.3	2.7	2.7
Developed, less U.S.	3.2	3.4	2.7	3.2	4.5	3.6	3.5	1.9	1.0	-0.1	1.6	2.8	2.7
United States	6.0	3.0	2.6	3.0	3.9	2.8	0.8	-0.7	2.8	3.1	3.6	2.9	2.7
Canada	6.4	4.7	3.3	4.1	4.7	2.5	0.4	-1.7	0.7	2.2	3.7	3.2	2.7
Japan	4.3	5.0	2.7	4.1	6.2	4.7	5.2	4.3	1.1	0.0	0.8	2.4	3.8
Western Europe	2.4	2.5	2.7	2.6	3.7	3.2	2.8	1.1	0.9	-0.5	1.7	2.7	2.2
European Union	2.3	2.4	2.7	2.7	3.9	3.3	2.9	1.5	1.1	-0.3	1.7	2.7	2.2
Germany	2.8	1.9	2.2	1.4	3.7	3.6	5.7	4.5	2.1	-1.3	1.5	2.7	2.6
Central Europe	4.1	2.4	2.9	2.2	2.2	-0.9	-6.4	-11.3	-4.7	1.4	4.4	5.0	-0.8
Former Soviet Union	4.1	1.7	3.6	2.8	5.3	3.0	-2.0	-11.6	-18.2	-12.5	-5.9	-2.2	-2.4
Russia	2.6	2.6	3.4	2.1	5.0	2.5	-2	-9	-19	-11.9	-4.7	-2	-2.9
Developing	4.4	3.9	3.4	4.1	4.6	3.8	3.7	3.8	5.4	5.6	5.3	5.0	4.3
Asia	7.7	6.4	6.8	7.8	9.5	5.8	6.3	5.2	7.7	7.6	7.5	6.5	7.0
Pacific-Asia	9.4	6.7	7.3	9.0	9.5	6.1	6.6	6.4	9.0	8.7	8.2	6.9	7.9
China	14.4	12.3	8.2	11.0	10.7	4.3	5.4	6.4	13.0	13.4	11.0	7.8	9.9
South Asia	3.9	5.6	4.9	4.8	9.4	5.1	5.5	1.8	4.0	4.2	5.5	5.1	4.9
India	3.7	5.4	4.1	4.9	9.7	5.0	5.8	1.2	4.5	4.1	5.5	4.9	4.8
Latin America	3.9	3.3	4.5	3.2	0.8	1.3	-0.1	3.1	2.2	3.4	3.0	3.9	2.5
Mexico	3.7	2.7	-3.9	1.8	1.2	3.4	4.5	3.6	2.8	0.4	2.6	4.9	2.0
Caribbean/Central	0.5	2.2	2.1	2.8	-0.6	2.1	1.4	0.1	0.2	2.2	2.0	2.2	1.3
South America	4.1	4.0	7.1	3.5	0.4	0.5	-1.7	3.4	2.3	4.4	3.1	3.7	2.8
Brazil	5.4	7.9	8.0	3.3	-0.2	3.3	-4.2	0.9	-0.9	4.7	2.8	3.7	2.8
Middle East	0.5	-0.8	-6.9	-2.0	-2.1	2.8	3.2	1.9	7.5	5.7	3.6	3.6	1.0
Africa	1.0	3.0	2.4	0.4	2.7	3.0	1.9	2.1	1.2	2.0	2.4	2.6	2.0
North Africa	2.7	3.1	0.4	-0.1	1.3	2.9	1.8	2.9	1.4	1.6	2.3	2.7	1.8
Sub-Sahara	-0.1	2.9	3.8	0.8	3.7	3.1	2.0	1.6	1.1	2.3	2.5	2.6	2.1
Middle East & N. Africa	1.1	0.5	-4.7	-1.4	-1.1	2.8	2.8	2.2	5.7	4.6	3.3	3.4	1.2

E = Estimate. F = forecast.

Information contact: Alberto Jorjardo, (202) 501-8318.

Farm Prices

Table 4.—Indexes of Prices Received & Paid by Farmers, U.S. Average

	Annual			1993							
	1991	1992	1993	Aug	Mar	Apr	May	June	July R	Aug P	
1977 = 100											
Prices received											
All farm products	146	139	143	144	148	148	142	138	133	135	
All crops	129	121	123	125	132	131	131	127	118	120	
Food grains	115	139	129	119	154	150	145	135	127	133	
Feed grains & hay	117	116	115	115	136	135	135	131	117	112	
Feed grains	115	114	110	112	132	128	127	128	112	108	
Cotton	108	88	90	88	109	112	115	105	87	102	
Tobacco	161	154	154	142	141	152	152	152	134	140	
Oil-bearing crops	91	88	95	101	105	103	106	105	95	89	
Fruit, all	264	175	175	218	146	153	155	142	137	177	
Fresh market 1/	288	179	182	235	147	155	158	145	138	188	
Commercial vegetables	135	156	159	148	136	117	124	136	138	139	
Fresh market	140	156	166	149	134	109	118	133	134	135	
Potatoes & dry beans	141	124	151	147	187	181	167	166	188	160	
Livestock & products	161	157	162	161	163	161	154	148	147	148	
Meat animals	186	176	183	183	181	178	169	190	190	163	
Dairy products	126	135	132	128	139	139	133	131	127	127	
Poultry & eggs	124	117	128	130	132	128	129	130	128	127	
Prices paid											
Commodities & services											
Interest, taxes, & wage rates	187	189	195	195	198	200	200	200	199	199	
Production items	173	174	179	179	181	184	184	184	181	181	
Feed	123	123	124	—	—	138	—	—	127	—	
Feeder livestock	214	202	218	—	—	209	—	—	193	—	
Seed	163	162	169	—	—	175	—	—	175	—	
Fertilizer	134	131	128	—	—	137	—	—	137	—	
Agricultural chemicals	151	159	165	—	—	168	—	—	168	—	
Fuels & energy	203	199	201	—	—	195	—	—	201	—	
Farm & motor supplies	157	160	160	—	—	158	—	—	158	—	
Autos & trucks	244	256	272	—	—	288	—	—	284	—	
Tractors & self-propelled machinery	211	219	227	—	—	240	—	—	240	—	
Other machinery	220	233	243	—	—	258	—	—	258	—	
Building & fencing	148	150	159	—	—	166	—	—	166	—	
Farm services & cash rent	169	171	174	—	—	175	—	—	175	—	
Int. payable per acre on farm real estate debt	137	129	123	—	—	130	—	—	130	—	
Taxes payable per acre on farm real estate	185	172	180	—	—	189	—	—	189	—	
Wage rates (seasonally adjusted)	201	210	217	—	—	224	—	—	224	—	
Production items, interest, taxes, & wage rates	172	173	178	—	—	183	—	—	180	—	
Ratio, prices received to prices paid (%) 2/	78	74	73	74	75	73	71	69	67	68	
Prices received (1910-14=100)	666	638	653	657	675	668	651	630	607	616	
Prices paid, etc. (parity index) (1910-14=100)	1,285	1,303	1,340	—	—	1,379	—	—	1,368	—	
Parity ratio (1910-14=100) (%) 2/	52	49	49	—	—	48	—	—	45	—	

1/ Fresh market for noncitrus; fresh market & processing for citrus. 2/ Ratio of index of prices received for all farm products to index of prices paid for commodities & services, interest, taxes, & wage rates. Ratio uses the most recent prices paid index. Prices paid data are quarterly & will be published in January, April, July, & October. R = revised. P = preliminary. — = not available.

Information contact: Ann Duncan (202) 501-8541.

Table 5.—Prices Received by Farmers, U.S. Average

	Annual 1/			1993	1994					
	1991	1992	1993	Aug	Mar	Apr	May	June	July R	Aug P
CROPS										
All wheat (\$/bu.)	3.00	3.24	3.26	2.96	3.65	3.55	3.41	3.21	3.03	3.23
Rice, rough (\$/cwt)	7.58	5.89	8.08	5.19	10.20	9.93	10.00	8.88	7.80	7.49
Corn (\$/bu.)	2.37	2.07	2.53	2.25	2.74	2.65	2.60	2.61	2.28	2.12
Sorghum (\$/cwt)	4.01	3.38	4.16	3.78	4.31	4.20	4.20	4.24	3.71	3.68
All hay, baled (\$/ton)	71.20	74.30	81.60	77.50	90.80	98.20	100.00	88.70	82.50	83.10
Soybeans (\$/bu.)	5.58	5.58	6.40	6.56	6.74	6.57	6.77	6.72	5.92	5.49
Cotton, upland (cts./lb.)	56.8	54.9	58.5	53.1	66.1	67.7	69.3	63.5	58.4	61.7
Potatoes (\$/cwt)	4.98	5.52	6.22	6.05	7.56	7.76	6.83	6.58	7.54	6.27
Lettuce (\$/cwt) 2/	11.40	12.40	16.00	14.90	9.90	11.70	11.30	13.80	10.40	9.84
Tomatoes fresh (\$/cwt) 2/	31.80	35.80	31.60	32.70	24.20	16.50	20.60	29.10	27.50	33.90
Onions (\$/cwt)	12.50	13.00	15.80	14.70	18.00	10.20	8.34	8.25	12.80	9.38
Dry edible beans (\$/cwt)	15.60	19.90	24.10	19.10	26.00	25.80	25.20	25.30	27.20	25.30
Apples for fresh use (cts./lb.)	25.1	19.5	18.2	24.4	18.9	16.1	14.8	13.7	13.1	20.3
Pears for fresh use (\$/ton)	385.00	378.00	280.00	344.00	224.00	208.00	194.00	175.00	326.00	294.00
Oranges, all uses (\$/box) 3/	6.79	5.50	3.11	7.59	4.48	5.35	5.61	5.31	3.47	4.56
Grapefruit, all uses (\$/box) 3/	5.55	6.23	2.60	3.41	2.54	2.27	1.53	0.97	1.82	3.95
LIVESTOCK										
Beef cattle (\$/cwt)	72.87	71.33	73.38	72.70	72.30	72.00	67.20	62.70	62.90	64.20
Calves (\$/cwt)	99.93	89.38	95.92	95.10	97.60	95.70	89.60	84.90	83.90	85.30
Hogs (\$/cwt)	48.78	41.82	45.40	47.30	44.40	42.70	42.60	42.60	42.30	42.50
Lambs (\$/cwt)	52.49	60.78	64.60	59.20	58.80	54.70	54.70	61.10	72.00	76.00
All milk, sold to plants (\$/cwt)	12.27	13.15	12.86	12.40	13.50	13.50	12.90	12.70	12.30	12.30
Milk, manuf. grade (\$/cwt)	11.05	11.91	11.80	11.00	12.50	12.60	11.50	11.00	11.10	11.30
Broilers (cts./lb.)	31.0	30.8	34.2	36.4	35.3	35.3	37.1	37.7	38.9	35.1
Eggs (cts./doz.) 4/	66.0	56.2	62.7	61.1	65.9	61.7	58.2	58.2	57.2	59.9
Turkeys (cts./lb.)	37.7	37.6	39.0	39.6	38.4	39.1	39.5	40.0	41.2	41.7

1/ Season average price by crop year for crops. Calendar year average of monthly prices for livestock. 2/ Excludes Hawaii. 3/ Equivalent on-tree returns.

4/ Average of all eggs sold by producers including hatching eggs & eggs sold at retail. P = preliminary. R = revised.

— = not available.

Information contact: Ann Duncan (202) 501-8541.

Producer & Consumer Prices

Table 6.—Consumer Price Index for All Urban Consumers, U.S. Average (Not Seasonally Adjusted)

	Annual	1993	1994							
	1993	Aug	Jan	Feb	Mar	Apr	May	June	July	Aug
			1982-84=100							
Consumer Price Index, all items	144.5	144.8	146.2	146.7	147.2	147.4	147.5	148.0	148.4	149.0
Consumer Price Index, less food	145.1	145.6	146.6	147.3	148.0	148.1	148.3	148.8	149.1	149.8
All food	140.9	140.8	143.7	142.9	143.2	143.4	143.5	143.5	144.2	144.8
Food away from home	143.2	143.6	144.5	144.6	144.8	145.1	145.3	145.5	145.6	145.9
Food at home	140.1	139.7	143.8	142.6	142.8	143.0	143.0	142.9	144.0	144.7
Meats 1/	134.6	135.6	136.1	136.0	136.4	136.0	136.2	135.4	134.7	135.1
Beef & veal	137.1	137.4	137.3	136.9	136.0	137.1	137.1	136.1	134.4	134.9
Pork	131.7	133.8	133.9	134.1	134.6	133.5	134.4	134.6	134.7	134.7
Poultry	136.9	137.5	140.5	140.4	140.1	140.9	141.8	143.6	144.1	141.7
Fish	156.6	154.1	163.2	160.9	161.8	163.7	161.6	162.6	163.2	163.6
Eggs	117.1	117.4	118.5	117.4	120.5	115.7	107.3	110.8	109.2	115.5
Dairy products 2/	129.4	130.5	131.6	131.8	131.8	131.8	132.0	132.2	131.8	131.8
Fats & oils 3/	130.0	130.1	131.3	131.5	132.6	133.2	133.4	133.5	135.1	134.1
Fresh fruit	188.8	184.7	207.2	194.8	199.1	198.1	204.6	193.3	199.6	201.9
Processed fruit	132.3	132.2	134.6	133.0	133.3	133.9	132.6	132.6	133.8	132.1
Fresh vegetables	168.4	156.1	161.7	166.1	167.0	163.9	162.8	168.7	170.2	163.7
Potatoes	154.6	165.8	169.4	171.3	179.8	186.3	179.9	195.7	194.1	190.4
Processed vegetables	130.8	131.4	135.8	136.1	135.7	136.4	137.2	137.3	138.4	138.5
Cereals & bakery products	156.6	157.5	160.3	161.3	160.4	162.5	162.3	163.4	163.9	164.7
Sugar & sweets	133.4	133.7	134.9	135.6	135.3	135.9	135.5	134.9	135.2	135.1
Beverages, nonalcoholic	114.6	114.1	116.1	116.0	116.0	115.5	115.6	115.8	122.8	131.3
Apparel										
Apparel, commodities less footwear	131.9	130.0	127.5	130.1	134.5	134.7	133.6	131.4	128.1	128.4
Footwear	125.9	123.5	125.9	125.9	127.0	128.0	128.5	127.3	125.0	124.5
Tobacco & smoking products	228.4	227.9	217.6	217.4	217.7	218.0	220.6	220.6	221.3	221.7
Beverages, alcoholic	149.6	149.7	151.0	151.1	151.4	151.6	151.5	151.7	151.6	151.3

1/ Beef, veal, lamb, pork, & processed meat. 2/ Includes butter. 3/ Excludes butter.

Information contact: Ann Duncan (202) 501-8541.

Table 7.—Producer Price Indexes, U.S. Average (Not Seasonally Adjusted)

	Annual			1993	1994					
	1991	1992	1993	July	Feb	Mar R	Apr	May	June	July
1982 = 100										
All commodities	116.5	117.2	118.9	119.2	119.3	119.7	119.8	119.9	120.4	120.6
Finished goods 1/	121.7	123.2	124.7	125.3	124.8	124.9	125.0	125.3	125.5	126.0
All foods 2/	122.2	120.9	123.6	123.1	125.1	126.1	125.7	125.2	124.2	124.0
Consumer foods	124.1	123.3	125.7	125.0	126.7	127.5	127.0	126.5	125.9	126.2
Fresh fruit & melons	129.9	84.0	84.2	80.5	85.5	87.4	80.8	89.6	80.2	83.5
Fresh & dried vegetables	103.6	115.0	133.5	116.3	116.9	116.6	113.3	117.1	120.5	120.6
Dried fruit	111.8	114.6	118.2	118.9	121.5	120.6	120.6	123.0	123.3	121.6
Canned fruit & juice	128.6	134.5	126.1	126.5	126.8	125.6	126.8	125.9	126.4	126.2
Frozen fruit & juice	116.3	125.9	110.9	114.0	113.6	113.2	113.0	112.2	110.6	110.0
Fresh veg. excl. potatoes	100.2	116.4	126.4	98.4	99.3	96.1	91.4	91.5	94.9	104.8
Canned veg. & juices	112.9	109.5	110.6	111.1	116.1	116.6	115.7	119.7	119.6	119.4
Frozen vegetables	117.6	116.4	121.0	121.3	126.1	126.1	126.7	126.2	127.2	127.0
Potatoes	125.7	118.4	144.9	137.3	165.6	180.3	167.6	147.8	150.8	151.1
Eggs for fresh use (1991=100)	3/	78.6	86.6	77.5	88.3	91.8	81.5	89.2	74.9	73.7
Bakery products	146.6	152.5	156.6	156.6	158.0	158.8	159.2	159.6	160.1	160.3
Meats	113.5	106.7	110.5	111.5	108.6	110.3	109.4	108.6	103.5	101.2
Beef & veal	112.2	106.5	112.9	112.5	105.5	110.5	110.4	106.6	101.2	96.8
Pork	113.4	98.9	105.4	108.4	111.3	108.5	105.7	103.1	101.8	101.6
Processed poultry	109.9	106.0	111.6	110.2	113.1	116.2	117.2	116.9	117.1	116.8
Fish	149.5	156.1	156.7	147.3	155.3	162.7	159.2	158.1	160.1	159.1
Dairy products	114.6	117.9	118.1	119.2	119.9	120.6	121.5	121.1	118.7	117.3
Processed fruits & vegetables	119.6	120.8	118.3	119.0	121.6	121.4	121.5	122.8	122.2	122.2
Shortening & cooking oil	116.5	115.1	123.0	127.4	140.2	140.7	141.7	143.3	141.0	132.8
Soft drinks	125.5	125.6	126.3	125.4	127.9	127.2	126.9	126.9	126.8	126.7
Consumer finished goods less foods	118.7	120.8	121.7	123.0	120.5	120.4	120.7	121.3	121.9	122.5
Beverages, alcoholic	123.7	126.1	126.0	125.8	126.6	125.5	126.0	125.3	124.2	124.2
Apparel	119.6	122.2	123.2	123.3	123.5	123.6	123.2	123.6	123.3	123.4
Footwear	128.6	132.0	134.4	134.8	135.1	135.4	135.7	135.7	135.2	135.3
Tobacco products	249.7	275.3	260.1	287.2	224.7	224.7	224.7	224.7	224.8	224.7
Intermediate materials 4/	114.4	114.7	116.2	116.6	116.6	116.8	116.8	117.3	118.0	118.5
Materials for food manufacturing	115.3	113.9	115.6	116.5	119.2	119.9	120.9	120.3	119.1	116.4
Flour	96.8	106.5	109.3	105.7	112.6	111.0	110.1	111.0	108.4	101.8
Refined sugar 5/	121.6	119.8	118.3	117.7	118.0	118.0	118.1	118.4	118.5	118.9
Crude vegetable oils	103.0	97.1	110.3	116.0	138.4	140.0	136.7	138.5	136.6	123.5
Crude materials 6/	101.2	100.4	102.4	101.5	101.8	104.1	104.4	103.3	103.6	102.1
Foodstuffs & feedstuffs	105.5	105.1	108.4	107.5	113.1	114.2	113.1	110.0	107.7	104.0
Fruits & vegetables & nuts 7/	114.7	98.9	106.0	97.5	99.4	100.0	96.1	101.0	98.8	100.1
Grains	92.0	97.3	94.4	91.2	116.8	112.5	109.3	106.8	110.1	96.4
Livestock	107.9	104.7	107.0	105.0	103.8	104.7	104.9	98.6	92.4	94.3
Poultry, live	111.2	112.6	122.0	124.4	119.6	129.5	126.8	138.2	135.2	131.0
Fibers, plant & animal	115.1	89.9	91.3	90.8	119.0	120.8	123.4	129.2	129.4	114.5
Fluid milk	89.5	96.1	93.8	94.9	96.2	99.3	99.6	97.6	94.0	93.6
Oilseeds	108.4	107.5	115.9	127.9	127.4	129.4	125.3	125.5	129.9	117.2
Tobacco, leaf	101.1	101.0	99.6	91.8	109.4	91.8	—	96.9	—	—
Sugar, raw cane	113.7	112.1	113.2	114.1	114.9	114.9	115.4	115.8	116.9	117.3

1/ Commodities ready for sale to ultimate consumer. 2/ Includes all raw, intermediate, & processed foods (excludes soft drinks, alcoholic beverages, & manufactured animal feeds). 3/ New index beginning Dec. 1991. 4/ Commodities requiring further processing to become finished goods. 5/ All types & sizes of refined sugar. 6/ Products entering market for the first time that have not been manufactured at that point. 7/ Fresh & dried. R = revised.

Information contact: Ann Duncan (202) 501-8541.

Farm-Retail Price Spreads

Table 8.—Farm-Retail Price Spreads

	Annual			1993						
	1991	1992	1993	July	Feb	Mar	Apr	May	June	July
Market basket 1/										
Retail cost (1982-84=100)	137.4	138.4	141.9	141.0	144.4	144.6	144.8	144.9	144.9	145.3
Farm value (1982-84=100)	106.1	103.4	104.9	104.2	105.1	106.1	103.1	103.0	100.0	98.4
Farm-retail spread (1982-84=100)	154.2	157.3	161.9	160.8	165.5	165.3	167.3	167.5	169.1	170.6
Farm value-retail cost (%)	27.0	28.2	25.9	25.9	25.5	25.7	24.9	24.9	24.2	23.7
Meat products										
Retail cost (1982-84=100)	132.5	130.7	134.6	135.5	136.0	136.4	136.0	136.2	135.4	134.7
Farm value (1982-84=100)	110.0	104.5	107.2	108.0	101.5	103.1	102.1	99.3	93.0	90.3
Farm-retail spread (1982-84=100)	155.6	157.5	162.8	163.7	171.4	170.5	170.8	174.0	178.9	180.3
Farm value-retail cost (%)	42.0	40.5	40.3	40.4	37.8	38.3	38.0	36.9	34.8	33.9
Dairy products										
Retail cost (1982-84=100)	125.1	128.5	129.4	130.2	131.8	131.8	131.8	132.0	132.2	131.8
Farm value (1982-84=100)	90.0	95.9	93.0	95.6	96.3	96.6	96.2	96.7	96.0	94.0
Farm-retail spread (1982-84=100)	157.5	158.6	162.9	162.1	164.6	164.2	164.6	164.5	165.8	166.7
Farm value-retail cost (%)	34.5	35.8	34.5	35.2	35.0	35.2	35.0	35.2	34.8	34.2
Poultry										
Retail cost (1982-84=100)	131.5	131.4	136.9	136.0	140.4	140.1	140.9	141.8	143.6	144.1
Farm value (1982-84=100)	102.5	104.0	111.5	113.7	110.1	114.3	114.6	119.7	121.5	120.0
Farm-retail spread (1982-84=100)	164.9	163.0	166.2	161.7	175.3	169.8	171.2	167.3	169.0	171.9
Farm value-retail cost (%)	41.7	42.4	43.6	44.7	42.0	43.7	43.5	45.2	45.3	44.6
Eggs										
Retail cost (1982-84=100)	121.2	108.3	117.1	115.1	117.4	120.5	115.7	107.3	110.8	109.2
Farm value (1982-84=100)	100.9	77.8	88.9	80.8	89.9	95.4	85.2	78.0	77.0	74.6
Farm-retail spread (1982-84=100)	157.8	163.2	167.8	176.7	166.8	165.6	170.4	159.9	171.5	171.4
Farm value-retail cost (%)	53.5	48.1	48.8	45.1	49.2	50.9	47.3	46.7	44.6	43.9
Cereal & bakery products										
Retail cost (1982-84=100)	145.8	151.5	156.6	157.2	161.3	160.4	162.5	162.3	163.4	163.9
Farm value (1982-84=100)	85.3	94.7	91.4	85.4	108.7	110.8	107.9	105.1	100.9	94.8
Farm-retail spread (1982-84=100)	154.3	159.4	165.6	167.2	168.6	167.3	170.1	170.3	172.1	173.5
Farm value-retail cost (%)	7.2	7.7	7.1	8.7	8.2	8.5	8.1	7.9	7.6	7.1
Fresh fruits										
Retail cost (1982-84=100)	200.1	169.6	195.8	183.5	198.8	204.5	205.0	212.5	200.6	207.4
Farm value (1982-84=100)	174.4	122.5	134.6	129.7	115.1	114.3	113.1	124.9	103.3	114.7
Farm-retail spread (1982-84=100)	211.9	220.6	224.0	208.3	237.5	246.1	247.4	252.9	245.5	250.2
Farm value-retail cost (%)	27.5	20.4	21.7	22.3	18.3	17.7	17.4	18.6	16.3	17.5
Fresh vegetables										
Retail cost (1982-84=100)	154.4	157.9	168.4	155.8	168.1	167.0	163.8	162.8	168.7	170.2
Farm value (1982-84=100)	110.8	120.5	128.4	110.1	138.5	132.2	102.5	110.0	112.3	115.0
Farm-retail spread (1982-84=100)	176.8	177.2	189.0	179.3	183.3	184.9	195.3	189.9	197.7	198.8
Farm value-retail cost (%)	24.4	25.9	25.9	24.0	28.0	26.9	21.3	23.0	22.6	22.9
Processed fruits & vegetables										
Retail cost (1982-84=100)	130.2	133.7	131.5	131.0	134.2	134.2	134.8	134.4	134.5	135.7
Farm value (1982-84=100)	120.6	129.0	106.3	104.8	115.5	114.6	113.6	114.0	113.5	115.7
Farm-retail spread (1982-84=100)	133.2	135.2	139.4	139.2	140.0	140.3	141.4	140.8	141.1	141.9
Farm value-retail cost (%)	22.0	22.9	19.2	19.0	20.5	20.3	20.0	20.2	20.1	20.3
Fats & oils										
Retail cost (1982-84=100)	131.7	129.8	130.0	130.4	131.5	132.6	133.2	133.4	133.5	135.1
Farm value (1982-84=100)	98.0	93.2	107.5	114.3	126.1	129.5	123.5	129.0	126.2	114.2
Farm-retail spread (1982-84=100)	144.2	143.3	138.3	136.3	133.5	133.8	136.8	135.0	136.2	142.8
Farm value-retail cost (%)	20.0	19.3	22.2	23.6	25.8	26.3	24.9	26.0	25.4	22.7
	Annual			1993						
	1991	1992	1993	Aug	Mar	Apr	May	June	July	Aug
Beef, Choice										
Retail price 2/ (cts./lb.)	288.3	284.6	293.4	290.9	288.3	287.1	288.1	283.3	280.1	278.4
Wholesale value 3/ (cts.)	182.5	179.6	182.5	179.4	178.9	176.8	167.6	158.5	160.4	166.6
Net farm value 4/ (cts.)	160.2	161.8	164.1	160.1	160.6	160.8	145.8	133.9	137.2	140.8
Farm-retail spread (cts.)	128.1	122.8	129.3	130.8	127.7	126.3	142.3	149.4	142.9	137.6
Wholesale-retail 5/ (cts.)	105.8	105.0	110.9	111.5	111.4	110.3	120.5	124.8	119.7	111.8
Farm-wholesale 6/ (cts.)	22.3	17.8	18.4	19.3	16.3	16.0	21.8	24.6	23.2	25.8
Farm value-retail price (%)	56	57	56	55	56	56	51	47	49	51
Pork										
Retail price 2/ (cts./lb.)	211.9	198.0	197.6	198.7	201.4	198.7	198.8	199.0	200.5	199.1
Wholesale value 3/ (cts.)	108.9	98.9	102.8	105.8	105.0	103.3	102.2	99.1	99.9	100.5
Net farm value 4/ (cts.)	78.4	67.8	72.5	76.9	70.2	67.6	67.4	67.8	67.5	68.6
Farm-retail spread (cts.)	133.5	130.2	125.1	121.8	131.2	131.1	131.4	131.2	133.0	132.5
Wholesale-retail 5/ (cts.)	103.0	99.1	94.8	92.9	96.4	95.4	95.6	99.9	100.6	98.6
Farm-wholesale 6/ (cts.)	30.5	31.1	30.3	28.9	34.8	35.7	34.8	31.3	32.4	33.9
Farm value-retail price (%)	37	34	37	39	35	34	34	34	34	33

1/ Retail costs are based on CPI-U of retail prices for domestically produced farm foods, published monthly by BLS. The farm value is the payment for the quantity of farm equivalent to the retail unit, less allowance for byproduct. Farm values are based on prices at first point of sale & may include marketing charges such as grading & packing for some commodities. The farm-retail spread, the difference between the retail price & the farm value, represents charges for assembling, processing, transporting, distributing. 2/ Weighted average price of retail cuts from pork & choice yield grade 3 beef. Prices from BLS. 3/ Value of wholesale (boxed beef) & wholesale cuts (pork) equivalent to 1 lb. of retail cuts adjusted for transportation costs & byproduct values. 4/ Market value to producer for live animal equivalent to 1 lb. of retail cuts, minus value of byproducts. 5/ Charges for retailing & other marketing services such as wholesaling, & in-city transportation. 6/ Charges for livestock marketing, processing, & transportation.

Information contacts: Denis Dunham (202) 219-0867, Larry Duewer (202) 219-1269.

Table 9.—Price Indexes of Food Marketing Costs

(See the August 1994 issue.)

Information contact: Denis Dunham (202) 219-0867.

Livestock & Products

Table 10.—U.S. Meat Supply & Use

	Beg. stocks	Production 1/	Imports	Total supply	Exports	Ending stocks	Consumption		Primary market price 3/
							Total	Per capita 2/	
Million pounds 4/							Pounds		
Beef									
1992	419	23,086	2,440	25,945	1,324	360	24,261	66.5	75.36
1993	360	23,049	2,401	25,810	1,275	529	24,008	65.1	76.36
1994 F	529	24,170	2,400	27,099	1,510	475	25,114	67.4	69-70
1995 F	475	24,582	2,485	27,542	1,590	450	25,502	67.8	66-72
Pork									
1992	388	17,234	645	18,267	407	385	17,475	53.1	43.03
1993	385	17,088	740	18,213	435	359	17,419	52.3	46.10
1994 F	359	17,380	800	18,539	445	375	17,719	52.7	42-43
1995 F	375	18,458	775	19,608	480	375	18,753	55.2	38-42
Veal 5/									
1992	7	310	0	317	0	5	312	1.0	89.38
1993	5	285	0	290	0	4	286	0.9	95.92
1994 F	4	293	0	297	0	5	292	0.9	89-90
1995 F	5	290	0	295	0	5	290	0.9	87-93
Lamb & mutton									
1992	8	348	50	404	8	8	388	1.4	61.00
1993	8	337	53	398	8	8	381	1.3	65.85
1994 F	8	325	53	386	9	9	368	1.3	64-65
1995 F	9	308	60	377	8	9	360	1.2	61-67
Total red meat									
1992	820	40,978	3,135	44,933	1,739	758	42,436	121.9	—
1993	758	40,759	3,194	44,711	1,718	900	42,092	119.6	—
1994 F	900	42,168	3,253	46,321	1,964	864	43,493	122.3	—
1995 F	864	43,638	3,320	47,822	2,078	839	44,905	125.1	—
Broilers									
1992	300	20,904	0	21,204	1,489	388	19,347	66.8	52.6
1993	368	22,015	0	22,383	1,966	358	20,059	68.3	55.2
1994 F	358	23,314	0	23,672	2,600	400	20,871	69.7	56-57
1995 F	400	24,365	0	24,765	2,700	390	21,675	72.3	52-56
Mature chicken									
1992	10	520	0	530	41	10	479	1.9	—
1993	10	515	0	525	56	8	461	1.8	—
1994 F	8	514	0	521	75	7	439	1.7	—
1995 F	7	522	0	529	80	6	443	1.7	—
Turkeys									
1992	264	4,777	0	5,041	171	272	4,599	18.0	60.2
1993	272	4,798	0	5,069	212	249	4,608	17.8	62.6
1994 F	249	4,923	0	5,172	290	255	4,628	17.7	65-66
1995 F	255	5,047	0	5,302	305	265	4,732	18.0	59-63
Total poultry									
1992	575	26,201	0	26,775	1,701	650	24,425	86.4	—
1993	650	27,328	0	27,977	2,234	615	25,128	87.9	—
1994 F	615	28,751	0	29,366	2,965	662	25,739	89.1	—
1995 F	662	29,934	0	30,596	3,085	661	26,850	92.0	—
Red meat & poultry									
1992	1,395	67,179	3,135	71,708	3,440	1,408	66,861	208.4	—
1993	1,408	68,087	3,194	72,688	3,953	1,515	67,221	207.6	—
1994 F	1,515	70,919	3,253	75,687	4,929	1,526	69,232	211.4	—
1995 F	1,526	73,572	3,320	78,418	5,163	1,500	71,755	217.1	—

1/ Total including farm production for red meats & federally inspected plus nonfederally inspected for poultry. 2/ Retail weight basis. (The beef carcass-to-retail conversion factor was 70.5). 3/ Dollars per cwt for red meat; cents per pound for poultry. Beef, Medium # 1, Nebraska Direct 1,100-1,300 lb.; pork, barrows & gilts, Iowa, Southern Minnesota; veal, farm price of calves; lamb & mutton, Choice slaughter lambs, San Angelo; broilers, wholesale 12-city average; turkeys, wholesale NY 8-16 lb. young hens. 4/ Carcass weight for red meats & certified ready-to-cook for poultry. 5/ Beginning in 1989, veal trade is no longer reported separately. F = forecast. — = not available.

Information contacts: Polly Cochran or Maxine Davis (202) 219-0998.

Table 11.—U.S. Egg Supply & Use

	Beg. stocks	Pro- duc- tion	Im- ports	Total supply	Ex- ports	Hatch- ing use	Ending stocks	Consumption		
								Total	Per capita	Wholesale price*
									No.	Cts./doz.
Million dozen										
1988	14.4	5,784.2	5.3	5,803.9	141.8	805.9	15.2	5,041.0	248.9	82.1
1989	15.2	5,598.2	25.2	5,638.5	91.6	843.9	10.7	4,892.4	237.3	81.9
1990	10.7	5,685.8	9.1	5,685.3	100.8	878.5	11.6	4,894.4	235.0	82.2
1991	11.8	5,779.3	2.3	5,793.3	154.5	708.6	13.0	4,917.2	233.5	77.5
1992	13.0	5,884.8	4.3	5,902.1	157.0	732.0	13.5	4,999.8	234.8	85.4
1993	13.5	5,980.2	4.7	5,978.3	158.9	789.3	10.7	5,039.4	234.2	72.5
1994 P	10.7	6,080.8	4.4	6,085.9	178.7	799.7	12.0	5,107.5	235.0	68-69
1995 F	12.0	6,125.0	4.5	6,141.5	185.0	830.0	12.0	5,134.5	233.9	64-70

* Cartoned grade A large eggs, New York. F = forecast. P = preliminary.

Information contact: Maxine Davis (202) 501-6777.

Table 12.—U.S. Milk Supply & Use^{1/}

Production	Farm use	Commercial		Total commercial supply	CCC net removals	Commercial		All milk price 1/ \$/cwt	CCC net removals			
		Farm market-ings	Beg stock			Im-ports	Ending stocks		Disap-pear-ance	Skim solids basis	Total solids basis 2/	
		Billion pounds (milkfat basis)							Billion pounds			
1986	143.1	2.4	140.7	4.5	2.7	147.9	10.8	4.1	133.0	12.51	14.3	12.9
1987	142.7	2.3	140.5	4.1	2.5	147.1	8.8	4.6	135.7	12.54	9.3	8.3
1988	145.2	2.2	142.9	4.6	2.4	149.9	9.1	4.3	136.5	12.26	6.5	6.9
1989	144.2	2.1	142.2	4.3	2.5	149.0	9.4	4.1	135.4	13.56	0.4	4.0
1990	148.3	2.0	146.3	4.1	2.7	153.1	9.0	5.1	138.9	13.88	1.6	4.6
1991	148.5	2.0	146.5	5.1	2.8	154.3	10.4	4.5	139.4	12.24	3.9	6.5
1992	151.6	1.9	149.7	4.5	2.5	158.7	10.0	4.7	142.1	13.09	2.0	5.4
1993	151.0	1.9	149.0	4.7	2.8	158.5	6.7	4.8	145.2	12.86	4.2	5.2
1994 F	153.5	1.9	151.6	4.6	2.9	159.0	4.5	4.5	150.0	13.15	4.5	4.5

^{1/} Delivered to plants & dealers; does not reflect deductions. ^{2/} Arbitrarily weighted average of milkfat basis (40 percent) & skim solids basis (60 percent). F = forecast

Information contact: Jim Miller (202) 219-0770.

Table 13.—Poultry & Eggs

	Annual			1993		1994				
	1991	1992	1993	July	Feb	Mar	Apr	May	June	July
Broilers										
Federally inspected slaughter, certified (mil. lb.)	19,727.7	21,052.4	22,178.1	1,801.8	1,758.0	2,029.1	1,923.2	1,986.7	2,073.0	1,878.7
Wholesale price, 12-city (cts./lb.)	52.0	52.6	55.2	55.4	55.2	57.5	57.8	61.4	60.7	57.4
Price of grower feed (\$/ton)	208	208	209	203	227	221	221	225	222	211
Broiler-feed price ratio 1/	3.0	3.1	3.3	3.5	3.0	3.2	3.2	3.3	3.4	3.5
Stocks beginning of period (mil. lb.)	241.6	300.4	387.9	391.9	381.0	405.9	373.2	403.8	414.5	400.0
Broiler-type chicks hatched (mil.) 2/	6,616.5	8,892.8	7,218.3	618.8	657.8	643.0	629.2	681.0	646.0	850.1
Turkeys										
Federally inspected slaughter, certified (mil. lb.)	4,551.9	4,828.9	4,847.7	419.3	342.0	400.9	380.6	415.6	457.9	403.2
Wholesale price, Eastern U.S., 8-16 lb. young hens (cts./lb.)	61.3	60.2	62.6	59.8	59.3	61.0	61.8	63.1	64.8	65.2
Price of turkey grower feed (\$/ton)	231	242	248	250	256	256	261	255	258	258
Turkey-feed price ratio 1/	3.3	3.1	3.1	3.1	2.9	3.0	3.0	3.1	3.1	3.2
Stocks beginning of period (mil. lb.)	308.4	284.1	271.7	556.1	279.8	304.8	346.5	399.1	463.7	545.3
Poults placed in U.S. (mil.)	308.1	307.8	308.9	28.7	25.1	28.4	28.1	29.5	28.6	28.1
Eggs										
Farm production (mil.)	59,352	70,818	71,522	5,992	5,559	6,279	6,035	6,158	5,982	6,188
Average number of layers (mil.)	275	278	283	281	288	289	289	288	287	287
Rate of lay (eggs per layer on farms)	252.4	253.9	252.6	21.3	19.3	21.7	20.9	21.4	20.8	21.5
Cartoned price, New York, grade A large (cts./doz.) 3/	77.5	85.4	72.5	68.9	72.1	74.4	65.0	61.9	62.9	68.2
Price of laying feed (\$/ton)	192	199	202	202	220	220	218	218	218	204
Egg-feed price ratio 1/	6.8	5.7	6.2	5.7	5.8	6.0	5.7	5.4	5.4	5.6
Stocks, first of month										
Shell (mil. doz.)	0.45	0.63	0.45	0.21	0.21	0.24	0.27	0.24	0.24	0.24
Frozen (mil. doz.)	11.2	12.3	13.0	11.5	11.2	12.0	11.9	12.4	11.5	11.7
Replacement chicks hatched (mil.)	420	386	406	34.0	31.1	33.3	35.7	35.2	31.9	30.3

1/ Pounds of feed equal in value to 1 dozen eggs or 1 lb. of broiler or turkey liveweight. 2/ Placement of broiler chicks is currently reported for 15 States only; henceforth, hatch of broiler-type chicks will be used as a substitute. 3/ Price of cartoned eggs to volume buyers for delivery to retailers

Information contact: Maxine Davis (202) 501-6777.

Table 14.—Dairy

	Annual			1993	1994					
	1991	1992	1993	July	Feb	Mar	Apr	May	June	July
Milk prices, Minnesota-Wisconsin, 3.5% fat (\$/cwt) 1/	11.05	11.88	11.80	11.42	12.41	12.77	12.99	11.51	11.25	11.41
Wholesale prices										
Butter, grade A Chl. (cts./lb.)	99.3	82.5	74.4	73.5	84.0	65.5	65.5	64.5	65.1	66.9
Am. cheese, Wls. assembly pl. (cts./lb.) 2/	124.4	131.9	131.5	126.3	134.2	140.0	143.3	125.7	120.2	129.1
Nonfat dry milk (cts./lb.) 2/	94.0	107.1	112.0	109.8	109.9	110.5	110.8	108.5	106.1	105.6
USDA net removals 3/										
Total milk equiv. (mil. lb.) 4/	10,426.0	9,938.8	8,653.9	253.5	999.5	262.4	380.9	1,043.0	477.9	41.5
Butter (mil. lb.)	442.9	439.5	288.8	10.2	45.2	11.4	15.5	46.9	20.7	0.7
Am. cheese (mil. lb.)	76.9	14.4	8.3	0.4	0.2	0.1	0.1	0.1	0.2	0.2
Nonfat dry milk (mil. lb.)	269.5	136.7	304.3	22.7	21.8	14.3	37.7	18.3	27.3	38.0
Milk										
Milk prod. 21 States (mil. lb.)	125,671	128,223	127,383	10,913	9,802	11,079	11,038	11,452	10,998	10,984
Milk per cow (lb.)	14,977	15,544	15,680	1,346	1,222	1,384	1,377	1,428	1,368	1,366
Number of milk cows (1,000)	8,391	8,249	8,124	8,110	8,018	8,005	8,014	8,021	8,038	8,029
U.S. milk production (mil. lb.)	148,477	151,647	150,954	6/ 12,894	6/ 11,722	6/ 13,249	6/ 13,171	6/ 13,665	6/ 13,124	6/ 13,107
Stock, beginning										
Total (mil. lb.)	13,359	15,841	14,215	18,664	10,238	9,894	10,081	10,581	11,258	11,179
Commercial (mil. lb.)	5,146	4,461	4,688	5,350	5,090	4,776	4,776	5,179	5,502	5,413
Government (mil. lb.)	8,213	11,379	9,526	13,314	5,148	5,118	5,305	5,401	5,756	5,766
Imports, total (mil. lb.)	2,825	2,524	2,807	235	185	259	255	191	275	—
Commercial disappearance (mil. lb.)	139,343	142,081	145,348	12,841	11,076	13,085	12,504	12,306	12,854	—
Butter										
Production (mil. lb.)	1,335.8	1,365.2	1,315.2	86.2	119.6	117.8	119.3	118.8	102.4	88.2
Stocks, beginning (mil. lb.)	416.1	539.4	447.7	569.0	251.0	243.2	253.5	265.7	281.4	275.1
Commercial disappearance (mil. lb.)	903.5	944.2	1,040.6	70.5	81.0	107.7	92.8	72.0	88.9	—
American cheese										
Production (mil. lb.)	2,768.9	2,938.6	2,957.3	256.8	221.3	249.8	254.3	264.0	266.9	254.0
Stocks, beginning (mil. lb.)	347.4	318.7	346.7	413.6	381.6	361.7	350.5	357.4	383.5	386.9
Commercial disappearance (mil. lb.)	2,756.7	2,902.7	2,845.5	259.7	241.2	262.8	248.1	238.4	266.0	—
Other cheese										
Production (mil. lb.)	3,285.9	3,551.7	3,570.9	281.1	286.2	335.0	299.0	323.5	296.5	295.8
Stocks, beginning (mil. lb.)	110.6	97.5	120.9	131.4	115.5	113.8	123.2	130.8	133.1	134.6
Commercial disappearance (mil. lb.)	3,575.2	3,795.4	3,864.3	311.9	307.3	353.7	320.6	343.3	318.7	—
Nonfat dry milk										
Production (mil. lb.)	877.5	872.1	948.1	86.7	85.4	102.5	123.2	132.3	115.8	97.8
Stocks, beginning (mil. lb.)	161.9	214.8	81.2	143.6	86.6	80.9	67.4	89.8	124.9	146.2
Commercial disappearance (mil. lb.)	662.7	720.5	642.3	77.1	66.8	100.1	62.8	76.7	68.4	—
Frozen dessert										
Production (mil. gal.) 5/	1,203.1	1,195.8	1,198.3	125.0	88.2	111.2	110.6	112.6	123.6	120.5
	Annual			1992	1993				1994	
	1991	1992	1993	IV	I	II	III	IV	I	II
Milk production (mil. lb.)	148,477	151,647	150,954	37,132	37,608	39,411	37,364	36,571	37,692	39,960
Milk per cow (lb.)	14,860	15,419	15,554	3,780	3,848	4,052	3,862	3,792	3,921	4,146
No. of milk cows (1,000)	9,992	9,835	9,705	9,823	9,773	9,727	9,675	9,644	9,612	9,638
Milk-feed price ratio	1.58	1.69	1.64	1.69	1.61	1.67	1.62	1.66	1.65	1.60
Returns over concentrate costs (\$/cwt milk)	8.95	9.95	9.54	9.75	9.05	9.55	9.35	9.95	10.10	9.60

1/ Manufacturing grade milk. 2/ Prices paid i.o.b. Central States production area. 3/ Includes products exported through the Dairy Export Incentive Program (DEIP). 4/ Milk equivalent, fat basis. 5/ Hard ice cream, ice milk, & hard sherbet. 6/ Estimated. — = not available.

Information contact: LaVerne T. Williams (202) 219-1268.

Table 15.—Wool

	Annual			1993				1994	
	1991	1992	1993	I	II	III	IV	I	II
U.S. wool price, (cts./lb.) 1/	199	204	137	146	134	136	132	153	219
Imported wool price, (cts./lb.) 2/	187	210	142	150	137	128	150	171	202
U.S. mill consumption, scoured									
Apparel wool (1,000 lb.)	137,187	136,143	139,941	35,549	35,910	35,502	34,419	36,452	35,639
Carpet wool (1,000 lb.)	14,352	14,895	15,665	4,513	4,343	2,850	3,925	4,380	3,414

1/ Wool price delivered at U.S. mills, clean basis, Graded Territory 64's (20.60-22.04 microns) staple 2-3/4" & up. 2/ Wool price, Charleston, SC warehouse, clean basis, Australian 60/62's, type 64A (24 micron). Duty since 1982 has been 10.0 cents. — = not available.

Information contact: John Lawler (202) 501-8525.

Table 16.—Meat Animals

	Annual			1993	1994					
	1991	1992	1993	July	Feb	Mar	Apr	May	June	July
Cattle on feed (7 States)										
Number on feed (1,000 head) 1/	8,992	8,397	9,073	7,903	9,142	8,911	8,867	8,581	8,215	7,549
Placed on feed (1,000 head)	19,704	20,498	20,393	1,503	1,348	1,625	1,406	1,425	1,200	1,528
Marketings (1,000 head)	19,071	18,623	18,988	1,692	1,501	1,583	1,610	1,699	1,785	1,652
Other disappearance (1,000 head)	1,233	1,199	1,199	81	76	86	82	82	101	55
Market prices (\$/cwt)										
Slaughter Cattle										
Choice steers, 1,100–1,300 lb.										
Texas	74.21	75.35	76.36	73.80	72.44	74.85	75.10	68.09	63.13	64.86
Neb. Direct	74.68	75.71	77.02	74.32	73.03	75.41	75.48	67.00	63.60	66.58
Boning utility cows, Sioux Falls	60.66	44.84	47.52	50.28	44.08	46.72	47.31	48.67	44.50	44.00
Feeder steers										
Medium no. 1, Oklahoma City										
600–650 lb.	—	88.47	91.72	94.03	88.59	91.41	89.44	85.15	81.47	82.34
750–800 lb.	—	81.76	86.45	88.44	81.91	81.31	81.19	76.08	75.63	76.00
Slaughter hogs										
Barrows & gilts, 230–250 lb.										
Iowa, S. Minn.	49.89	43.03	48.10	46.71	48.50	44.58	42.83	42.87	43.01	42.93
8 markets	48.86	42.31	45.38	46.08	47.87	43.97	42.48	42.24	42.90	42.42
Feeder pigs										
S. Mo. 40–50 lb. (per head)	44.52	31.71	40.86	36.69	45.63	47.33	42.60	35.72	28.74	26.83
Slaughter sheep & lambs										
Lambs, Choice, San Angelo	53.21	61.00	65.85	57.00	62.31	61.83	51.25	60.94	66.92	75.33
Ewes, Good, San Angelo	31.98	35.24	37.46	38.17	44.88	39.70	39.45	39.00	43.00	39.50
Feeder lambs										
Choice, San Angelo	53.29	62.21	69.32	58.58	74.00	68.20	61.95	64.70	65.82	70.75
Wholesale meat prices, Midwest										
Boxed beef cut-out value										
Choice, 700–800 lb.	117.24	116.02	117.71	113.65	110.28	113.63	113.69	107.79	102.10	103.78
Select, 700–800 lb.	112.73	111.08	113.53	110.10	107.93	111.21	111.06	103.44	97.49	98.63
Canner & cutter cow beef	99.42	93.85	95.43	101.69	92.91	93.89	91.82	90.61	84.26	85.90
Pork cutout, No. 2	67.02	58.37	62.19	62.57	64.43	60.96	59.81	58.45	57.53	57.74
Pork loins, 14–18 lb.	108.39	101.41	107.47	113.40	110.75	100.45	101.89	103.99	103.84	109.79
Pork bellies, 12–14 lb.	47.79	30.39	41.82	44.51	51.06	49.68	48.84	41.40	40.39	38.64
Hams, skinned, 20–26 lb.	73.56	66.67	68.90	67.14	67.80	64.27	57.78	54.44	55.61	54.56
All fresh beef retail price	271.05	266.79	273.43	275.93	269.88	271.80	267.25	267.80	263.42	263.92
Commercial slaughter (1,000 head) 2/										
Cattle	32,689	32,874	33,324	2,865	2,558	2,860	2,712	2,835	3,039	2,821
Steers	16,728	17,138	17,222	1,495	1,299	1,436	1,448	1,577	1,705	1,586
Heifers	9,725	9,236	9,358	844	743	830	752	760	845	775
Cows	5,823	5,846	6,088	468	470	537	458	443	434	410
Bulls & stags	614	653	659	58	46	57	54	55	55	50
Calves	1,436	1,371	1,195	93	96	114	94	93	101	95
Sheep & lambs	5,721	5,496	5,182	409	419	530	419	435	392	318
Hogs	88,169	94,889	93,068	7,178	6,949	8,330	7,782	7,581	7,828	7,099
Barrows & gilts	83,668	89,964	88,387	6,782	6,596	7,907	7,416	7,193	7,202	6,669
Commercial production (mil. lb.)										
Beef	22,800	22,968	22,942	1,984	1,801	2,001	1,902	1,985	2,157	2,027
Veal	296	299	267	21	22	26	22	22	24	21
Lamb & mutton	358	343	329	26	27	34	27	28	24	19
Pork	15,948	17,184	17,030	1,311	1,275	1,530	1,432	1,397	1,411	1,294

1/ Beginning of period. 2/ Classes estimated. 3/ Quarters are Dec. of preceding year—Feb. (I), Mar.—May (II), June—Aug. (III), Sept.—Nov. (IV) * Intentions.
— = not available.

Information contact: Polly Cochran (202) 210-0787.

Crops & Products

Table 17.—Supply & Utilization^{1,2}

	Area		Harvested	Yield	Production	Total supply ^{4/}	Feed and residual	Other domestic use	Exports	Total use	Ending stocks	Farm price ^{5/}
	Sat aside ^{3/}	Planted										
	Mill. acres			Bu./acre				Mill. bu				\$/bu.
Wheat												
1989/90	9.8	76.8	82.2	32.7	2,037	2,761	139	853	1,232	2,224	636	3.72
1990/91	7.5	77.2	89.3	39.5	2,736	3,309	491	882	1,069	2,443	866	2.81
1991/92	15.9	89.9	87.7	34.3	1,981	2,888	246	887	1,282	2,416	472	3.00
1992/93*	7.3	72.3	82.4	39.4	2,459	3,001	188	933	1,354	2,472	529	3.24
1993/94*	5.7	72.2	82.6	38.3	2,402	3,040	276	965	1,228	2,469	571	3.28
1994/95*	4.7	70.5	82.0	38.1	2,361	3,013	200	982	1,250	2,432	581	3.10-3.60
Rice				Lb./acre				Mill. cwt (rough equiv.)				\$/cwt
1989/90	1.2	2.73	2.89	5,749	154.5	185.6	—	8/ 82.0	77.2	159.2	26.4	7.35
1990/91	1.0	2.90	2.82	5,529	156.1	187.2	—	8/ 91.8	70.9	162.7	24.6	6.68
1991/92	0.9	2.88	2.78	5,874	157.5	187.3	—	8/ 93.5	66.4	159.9	27.4	7.58
1992/93*	0.4	3.18	3.13	5,736	179.7	213.2	—	8/ 96.7	77.0	173.7	39.4	5.89
1993/94*	0.7	2.92	2.83	5,510	156.1	202.6	—	8/ 96.5	80.0	176.6	28.0	8.08
1994/95*	0.2	3.38	3.30	5,788	190.3	224.3	—	8/ 102.0	83.0	185.0	39.3	5.25-8.75
Corn				Bu./acre				Mill. bu				\$/bu.
1989/90	10.8	72.2	84.7	116.3	7,525	9,458	4,389	1,356	2,368	8,113	1,344	2.36
1990/91	10.7	74.2	87.0	118.5	7,934	9,282	4,693	1,373	1,725	7,761	1,521	2.28
1991/92	7.4	78.0	88.8	108.6	7,475	9,016	4,878	1,454	1,584	7,916	1,100	2.37
1992/93*	5.3	79.3	72.2	131.4	9,482	10,589	5,301	1,512	1,663	8,476	2,113	2.07
1993/94*	10.9	73.3	83.0	100.7	6,344	8,479	4,775	1,580	1,300	7,655	824	2.53
1994/95*	2.2	78.8	71.8	129.0	9,257	10,086	5,300	1,710	1,475	8,485	1,601	2.00-2.40
Sorghum				Bu./acre				Mill. bu				\$/bu.
1989/90	3.3	12.6	11.1	55.4	815	1,055	517	15	303	835	220	2.10
1990/91	3.3	10.5	9.1	63.1	573	793	410	9	232	651	143	2.12
1991/92	2.5	11.1	9.9	59.3	585	727	374	9	292	674	53	2.25
1992/93*	2.0	13.3	12.2	72.8	884	937	478	7	277	762	175	1.89
1993/94*	2.3	10.8	9.6	59.9	598	743	465	8	200	673	70	2.33
1994/95*	1.5	10.2	9.3	68.3	635	705	400	8	200	608	97	1.80-2.20
Barley				Bu./acre				Mill. bu				\$/bu.
1989/90	2.3	9.1	5.3	48.6	404	614	193	175	84	453	161	2.42
1990/91	2.9	8.2	7.5	58.1	422	596	205	176	81	461	135	2.14
1991/92	2.2	8.9	8.4	55.2	464	624	225	176	94	496	129	2.10
1992/93*	2.3	7.8	7.3	62.5	458	598	195	172	80	447	151	2.04
1993/94*	2.5	7.8	6.8	58.9	400	623	244	175	66	485	138	1.99
1994/95*	2.4	7.3	6.8	56.3	385	589	215	175	60	450	139	1.85-2.15
Oats				Bu./acre				Mill. bu.				\$/bu.
1989/90	0.4	12.1	9.9	54.3	374	538	266	115	1	381	157	1.49
1990/91	0.2	10.4	9.9	60.1	358	578	286	120	1	407	171	1.14
1991/92	0.6	8.7	7.8	50.7	243	489	235	125	2	362	128	1.21
1992/93*	0.7	8.0	4.5	65.0	295	477	234	125	6	364	113	1.32
1993/94*	0.8	7.9	3.8	54.4	206	426	193	125	3	321	108	1.38
1994/95*	0.6	8.7	4.1	60.0	248	428	175	125	2	302	126	1.15-1.35
Soybeans				Bu./acre				Mill. bu.				\$/bu.
1989/90	0.0	60.8	59.6	32.3	1,924	2,109	7/ 101	1,148	623	1,870	239	5.69
1990/91	0.0	67.8	68.6	34.1	1,926	2,168	7/ 95	1,187	557	1,839	329	5.74
1991/92	0.0	59.2	58.0	34.2	1,987	2,319	7/ 103	1,254	684	2,041	278	5.58
1992/93*	0.0	59.1	58.2	37.8	2,188	2,468	7/ 127	1,279	770	2,176	292	5.58
1993/94*	0.0	59.4	56.4	32.0	1,809	2,107	7/ 92	1,270	595	1,957	150	6.40
1994/95*	0.0	61.8	60.7	38.2	2,316	2,471	7/ 111	1,315	675	2,101	370	4.75-5.75
Soybean oil								Mill. lbs.				¢/ Cts./lb.
1989/90	—	—	—	—	13,004	14,741	—	12,083	1,353	13,436	1,305	22.30
1990/91	—	—	—	—	13,408	14,730	—	12,164	780	12,944	1,786	21.00
1991/92	—	—	—	—	14,345	16,132	—	12,245	1,848	13,893	2,239	19.10
1992/93*	—	—	—	—	13,778	16,027	—	13,053	1,419	14,472	1,555	21.40
1993/94*	—	—	—	—	13,835	16,450	—	13,000	1,410	14,410	1,040	26.75
1994/95*	—	—	—	—	14,785	15,850	—	13,150	1,500	14,650	1,200	22.5-25.5
Soybean meal								1,000 tons				¢/ \$/ton
1989/90	—	—	—	—	27,719	27,900	—	22,283	5,319	27,582	318	186.48
1990/91	—	—	—	—	28,325	28,688	—	22,934	5,469	28,403	285	181.40
1991/92	—	—	—	—	29,831	30,183	—	23,008	6,845	29,853	230	189.20
1992/93*	—	—	—	—	30,384	30,687	—	24,251	6,232	30,483	204	193.75
1993/94*	—	—	—	—	30,306	30,875	—	25,000	5,325	30,325	250	193.00
1994/95*	—	—	—	—	31,275	31,800	—	25,750	5,800	31,550	250	155-175

See footnotes at end of table.

Table 17.—Supply & Utilization, continued

	Area		Harvested	Yield	Production	Total supply	Feed and residual	Other domestic use	Exports	Total use	Ending Stocks	Farm price
	Set Aside	Planted										
	3/					4/						5/
	Mil. acres		Lb./acre				Mil. bales				Cts./lb.	
Cotton 10/												
1989/90	3.5	10.8	9.5	614	12.2	19.3	—	8.8	7.7	16.5	3.0	66.20
1990/91	2.0	12.3	11.7	634	15.5	18.5	—	8.7	7.8	16.5	2.3	67.10
1991/92	1.2	14.1	13.0	652	17.6	20.0	—	9.6	6.7	18.3	3.7	58.10
1992/93	1.7	13.2	11.1	698	18.2	19.9	—	10.3	5.2	15.5	4.7	54.80
1993/94	1.4	13.4	12.8	606	16.2	20.8	—	10.4	7.0	17.4	3.5	59.00
1994/95*	1.7	14.0	13.4	682	19.0	22.6	—	11.0	7.3	18.3	4.4	11/

* Sept. 12, 1994 Supply & Demand Estimates. 1/ Marketing year beginning June 1 for wheat, barley, & oats; August 1 for cotton & rice; September 1 for soybeans, corn, & sorghum; October 1 for soybean meal & soybean oil. 2/ Conversion factors: Hectare (ha.) = 2.471 acres; 1 metric ton = 2,204.622 pounds; 36,743.7 bushels of wheat or soybeans, 39,367.9 bushels of corn or sorghum, 45,929.6 bushels of barley, 88,864.4 bushels of oats, 22,046 cwt of rice, & 4,594.80-pound bales of cotton. 3/ Includes diversion, acreage reduction, 50-92, & 0-92 programs. 0/92 & 50/92 set-aside includes idled acreage & acreage planted to minor oilseeds, sesame, and crambe. 4/ Includes imports. 5/ Marketing-year weighted average price received by farmers. Does not include an allowance for loans outstanding & Government purchases. 6/ Residual included in domestic use. 7/ Includes seed. 8/ Simple average of crude soybean oil, Decatur. 9/ Simple average of 48 percent, Decatur. 10/ Upland & extra long staple. Stocks estimates based on Census Bureau data, resulting in an unaccounted difference between supply & use estimates & changes in ending stocks. 11/ USDA is prohibited from publishing cotton price projections. — = not available or not applicable.

Information contacts: Wheat, rice & feed grains, Jenny Gonzales (202) 501-8552; soybeans, soybean products & cotton, Mae Dean Johnson (202) 501-8522.

Table 18.—Cash Prices, Selected U.S. Commodities

	Marketing year 1/				1993	1994				
	1989/90	1990/91	1991/92	1992/93	July	Mar	Apr	May	June	July
Wheat, No. 1 HRW, Kansas City (\$/bu.) 2/	4.22	2.94	3.77	3.57	3.38	3.64	3.63	3.65	3.60	3.48
Wheat, DNS, Minneapolis (\$/bu.) 3/	4.16	3.06	3.82	3.91	4.80	4.94	4.99	5.05	4.20	4.14
Rice, S.W. La. (\$/cwt) 4/	15.55	15.25	16.60	13.30	11.75	23.65	22.75	21.00	18.50	16.15
Corn, no. 2 yellow, 30 day, Chicago (\$/bu.)	2.54	2.41	2.52	2.22	2.38	2.89	2.78	2.75	2.71	2.32
Sorghum, no. 2 yellow, Kansas City (\$/cwt)	4.21	4.08	4.36	3.74	3.99	4.64	4.33	4.38	4.43	3.79
Barley, laud, Duluth (\$/bu.) 5/	2.20	2.13	2.17	2.11	1.96	2.07	2.08	2.11	2.05	2.02
Barley, malting, Minneapolis (\$/bu.)	3.28	2.42	2.36	2.37	2.27	2.65	2.73	2.84	2.86	2.57
U.S. price, SLM, 1-1/16 in. (cts./lb.) 6/	69.8	74.8	58.7	54.1	54.4	72.7	76.1	79.3	76.9	71.7
Northern Europe prices index (cts./lb.) 7/	82.3	82.9	82.9	56.9	58.0	82.1	83.9	86.1	85.1	81.7
U.S. M 1-3/32 in. (cts./lb.) 8/	83.6	88.2	66.3	62.5	62.9	83.8	86.8	90.6	88.1	79.9
Soybeans, no. 1 yellow, 30 day, Chicago (\$/bu.)	5.86	5.76	5.75	5.96	6.99	6.81	6.82	6.79	6.79	6.05
Soybean oil, crude, Decatur (cts./lb.)	22.30	21.00	19.10	21.40	24.13	28.03	27.94	27.72	27.51	24.50
Soybean meal, 48% protein, Decatur (\$/ton) 9/	186.50	181.40	189.20	193.75	229.90	195.40	188.90	193.07	195.50	181.10

1/ Beginning June 1 for wheat & barley; Aug. 1 for rice & cotton; Sept. 1 for corn, sorghum & soybeans; Oct. 1 for soybean meal & oil. 2/ Ordinary protein. 3/ 14% protein. 4/ Long grain, milled basis. 5/ Beginning Mar. 1987 reporting point changed from Minneapolis to Duluth. 6/ Average spot market. 7/ Liverpool Cotton "A" index; average of five lowest prices of 13 selected growths. 8/ Memphis territory growths. 9/ Note change to 48% protein.

Information contacts: Wheat, rice, & feed grains, Jenny Gonzales (202) 501-8552; Soybeans, soybean products, & cotton, Mae Dean Johnson (202) 501-8522.

Table 19.—Farm Programs, Price Supports, Participation & Payment Rates

	Target price	Basic loan rate	Payment rates				Effective base acres 2/	Program 3/	Participation rate 4/
			Findley or announced 1/	Total deficiency	Paid land diversion				
					Mandatory	Optional			
				\$/bu.			Mill. acres	Percent of base	Percent of base
Wheat									
1988/89	4.23	2.76	2.21	0.69	—	—	84.8	27.5/0/0	86
1989/90	4.10	2.58	2.06	0.32	—	—	82.3	10/0/0	78
1990/91 5/	4.00	2.44	1.95	1.28	—	—	80.5	6/ 5/0/0	83
1991/92	4.00	2.52	2.04	*1.35	—	—	79.2	15/0/0	85
1992/93	4.00	2.58	2.21	0.81	—	—	78.9	5/0/0	83
1993/94	4.00	2.66	2.45	**1.03	—	—	78.4	0/0/0	88
1994/95	4.00	2.72	2.58	***0.95	—	—	78.2	0/0/0	87
1995/96	4.00	—	—	—	—	—	—	0/0/0	—
				\$/cwt					
Rice									
1988/89	11.15	6.63	7/ 6.50	4.31	—	—	4.2	25/0/0	94
1989/90	10.80	6.50	7/ 6.00	3.58	—	—	4.2	25/0/0	94
1990/91 5/	10.71	6.50	7/ 6.40	4.16	—	—	4.2	20/0/0	95
1991/92	10.71	6.50	7/ 5.85	3.07	—	—	4.2	5/0/0	95
1992/93	10.71	6.50	7/ 4.70	4.21	—	—	4.1	0/0/0	96
1993/94	10.71	6.50	7/ 5.75	**3.98	—	—	4.1	5/0/0	97
1994/95	10.71	6.50	7/ —	***3.44	—	—	4.2	0/0/0	94
				\$/bu.					
Corn									
1988/89	2.93	2.21	1.77	0.36	—	1.75	82.9	20/0/10	87
1989/90	2.84	2.06	1.65	0.58	—	—	82.7	10/0/0	79
1990/91 5/	2.76	1.96	1.57	0.51	—	—	82.6	10/0/0	78
1991/92	2.76	1.89	1.62	0.41	—	—	82.7	7.5/0/0	77
1992/93	2.75	2.01	1.72	0.73	—	—	82.1	5/0/0	76
1993/94	2.75	1.99	1.72	**0.28	—	—	81.8	10/0/0	81
1994/95	2.75	1.99	1.89	***0.45	—	—	81.6	0/0/0	82
				\$/bu.					
Sorghum									
1988/89	2.78	2.10	1.68	0.48	—	1.65	16.8	20/0/10	82
1989/90	2.70	1.96	1.57	0.66	—	—	16.2	10/0/0	71
1990/91 5/	2.61	1.86	1.49	0.58	—	—	15.4	10/0/0	70
1991/92	2.61	1.80	1.64	0.37	—	—	13.5	7.5/0/0	77
1992/93	2.61	1.91	1.63	0.72	—	—	13.6	5/0/0	79
1993/94	2.61	1.89	1.63	**0.25	—	—	13.6	5/0/0	82
1994/95	2.61	1.89	1.80	***0.51	—	—	13.5	0/0/0	81
				\$/bu.					
Barley									
1988/89	2.51	1.80	1.44	0.00	—	1.40	12.5	20/0/10	79
1989/90	2.44	1.66	1.34	0.00	—	—	12.3	10/0/0	87
1990/91 5/	2.36	1.80	1.28	0.20	—	—	11.9	10/0/0	88
1991/92	2.36	1.54	1.32	0.62	—	—	11.5	7.5/0/0	76
1992/93	2.36	1.64	1.40	0.56	—	—	11.1	5/0/0	75
1993/94	2.36	1.82	1.40	**0.67	—	—	10.8	0/0/0	83
1994/95	2.36	1.82	1.54	***0.51	—	—	10.7	0/0/0	84
				\$/bu.					
Oats									
1988/89	1.55	1.14	0.91	0.00	—	—	7.9	5/0/0	30
1989/90	1.50	1.06	0.85	0.00	—	—	7.6	5/0/0	18
1990/91 5/	1.45	1.01	0.81	0.32	—	—	7.5	5/0/0	09
1991/92	1.45	0.97	0.83	0.35	—	—	7.3	0/0/0	38
1992/93	1.45	1.03	0.88	0.17	—	—	7.2	0/0/0	40
1993/94	1.45	1.02	0.88	**0.11	—	—	7.1	0/0/0	46
1994/95	1.45	1.02	0.97	***0.15	—	—	6.8	0/0/0	41
				\$/bu.					
Soybeans 9/									
1988/89	—	—	4.77	—	—	—	—	—	—
1989/90	—	—	4.53	—	—	—	—	—	—
1990/91 5/	—	—	4.50	—	—	—	—	—	—
1991/92	—	—	5.02	—	—	—	—	—	—
1992/93	—	—	5.02	—	—	—	—	—	—
1993/94	—	—	5.02	—	—	—	—	—	—
1994/95	—	—	4.92	—	—	—	—	—	—
				Cts/lb					
Upland cotton									
1988/89	75.9	51.80	11/ 51.80	19.4	—	—	14.5	12.5/0/0	89
1989/90	73.4	50.00	11/ 50.00	13.1	—	—	14.6	25/0/0	89
1990/91 5/	72.9	50.27	11/ 50.27	7.3	—	—	14.4	12.5/0/0	86
1991/92 12/	72.9	50.77	11/ 47.23	10.1	—	—	14.6	5/0/0	84
1992/93	72.9	52.35	11/ 43.80	20.3	—	—	14.9	10/0/0	89
1993/94	72.9	52.35	11/ 49.00	**19.4	—	—	15.1	7.5/0/0	91
1994/95	72.8	50.00	11/ —	***6.9	—	—	15.3	11/0/0	89

1/ There are no Findley loan rates for rice or cotton. See footnotes 7/ & 11/. 2/ National effective crop acreage base as determined by ASCS. Net of CRP.

3/ Program requirements for participating producers (mandatory acreage reduction program/mandatory paid land diversion/optional paid land diversion). Acreage reduced must be devoted to a conserving use to receive program benefits. 4/ Percentage of effective base acres enrolled in acreage reduction programs. 5/ Payments & loans were reduced by 1.4 percent in 1990/91 due to Gramm-Rudman-Hollings. Budget Reconciliation Act reductions to deficiency payments rates were also in effect in that year. Data do not include these reductions. 6/ Under 1990 modified contracts, participating producers plant up to 105 percent of their wheat base acres. For every acre planted above 95 percent of base, the acreage used to compute deficiency payments was cut by 1 acre. 7/ A marketing loan has been in effect for rice since 1985/86. Loans may be repaid at the lower of: a) the loan rate or b) the adjusted world market price (announced weekly). However, loans cannot be repaid at less than a specified fraction of the loan rate. Data refer to market-year average loan repayment rates. 8/ The sorghum, oats, & barley programs are the same as for corn except as indicated. 9/ There are no target prices, base acres, acreage reduction programs, or deficiency payment rates for soybeans. 10/ Nominal percentage of program crop base acres permitted to shift into soybeans without loss of base. 11/ A marketing loan has been in effect for cotton since 1986/87. In 1987/88 & after, loans may be repaid at the lower of: a) the loan rate or b) the adjusted world market price (announced weekly). Plan B) Starting in 1991/92, loans cannot be repaid at less than 70 percent of the loan rate. Data refer to annual average loan repayment rates. 12/ A marketing certificate program was implemented on Aug. 1, 1991. — = not available.

* For wheat, the 1991/92 rate is the total deficiency payment rate for the "regular" program. For the winter wheat option, the rate is \$1.25.

** For wheat, corn, sorghum, barley and oats, regular deficiency payment rate based on the 5-month price. For rice and upland cotton, total deficiency payment rate.

*** Estimated total deficiency payment rate based on Fiscal Year 1995 President's Budget Mid-Session Review.

Note: 1993 effective base acres and participation rates are from the May 18 Final Compliance Report
Information contact: Agricultural Stabilization and Conservation Service (202) 890-0640.

Table 20.—Fruit

	1985	1986	1987	1988	1989	1990	1991	1992	1993 P
Citrus 1/									
Production (1,000 ton)	10,525	11,058	11,993	12,761	13,188	10,860	11,285	12,452	15,348
Per capita consumpt. (lbs.) 2/	21.5	24.2	23.9	25.4	23.5	21.4	19.1	24.4	28.0
Noncitrus 3/									
Production (1,000 tons)	14,191	13,974	16,011	15,893	16,365	15,657	15,748	17,116	18,556
Per capita consumpt. (lbs.) 2/	65.4	68.9	72.5	72.4	73.1	71.1	70.6	73.9	74.0
	1993		1994						
F.o.b. shipping point prices	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July
Apples (\$/carton) 4/	12.00	12.00	12.00	13.00	12.30	11.25	10.43	10.00	15.40
Pears (\$/box) 5/	11.04	10.05	16.40	16.33	14.00	15.00	7.70	16.38	16.00
Grower prices									
Oranges (\$/box) 6/	5.25	3.95	3.91	4.14	4.48	5.35	5.81	5.31	3.47
Grapes (\$/box) 6/	4.19	4.38	3.20	3.20	2.54	2.27	1.53	0.97	1.82
Stocks, ending									
Fresh apples (mil. lbs.)	5,179.4	4,427.9	3,747.3	2,937.6	2,205.0	1,582.8	1,021.9	567.4	260.1
Fresh pears (mil. lbs.)	41.8	358.5	297.3	238.9	166.0	122.0	55.6	14.8	44.2
Frozen fruits (mil. lbs.)	1,110.8	1,008.8	935.7	848.3	769.6	761.2	737.1	812.1	997.0
Frozen orange juice (mil. lbs.)	890.9	955.5	1,229.0	1,407.3	1,273.8	1,499.6	1,615.2	1,521.8	1,447.0

1/ 1992 Indicated 1991/92 season. 2/ Fresh per capita consumption. 3/ Calendar year. 4/ Red delicious, Washington, extra fancy, carton tray pack, 125's. 5/ D'Anjou, Washington, standard box wrapped, U.S. no. 1, 135's. 6/ U.S. equivalent on-tree returns. P = preliminary. — = not available.

Information contact: Wynne Napper (202) 501-7701.

Table 21.—Vegetables

	Calendar year									
	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993 P
Production										
Total vegetables (1,000 cwt)	456,334	453,030	448,629	478,381	488,779	542,437	561,704	564,581	538,837	532,109
Fresh (1,000 cwt) 1/ 3/	201,817	203,549	203,165	220,539	228,397	239,281	239,104	229,505	245,752	237,027
Processed (tons) 2/ 3/	12,725,880	12,474,040	12,273,200	12,892,100	12,019,110	15,157,790	16,130,020	16,753,820	14,644,260	14,754,080
Mushrooms (1,000 lbs) 4/	565,681	587,956	614,393	631,819	667,759	714,992	749,151	746,832	776,357	754,783
Potatoes (1,000 cwt)	362,039	406,809	361,743	389,320	356,438	370,444	402,110	417,622	425,367	416,415
Sweetpotatoes (1,000 cwt)	12,902	14,573	12,368	11,611	10,945	11,358	12,594	11,203	12,005	11,053
Dry edible beans (1,000 cwt)	21,070	22,298	22,960	26,031	19,253	23,729	32,379	33,786	22,615	21,842
	1993		1994							
Shipments (1,000 cwt)	July	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July
Fresh	22,634	18,535	18,056	17,281	17,809	24,149	22,043	24,714	33,842	18,145
Iceberg lettuce	4,196	3,757	3,877	3,376	3,407	4,615	3,849	4,119	4,774	3,891
Tomatoes, all	3,127	2,573	2,069	2,568	3,074	3,876	3,114	2,630	3,999	2,896
Dry-bulb onions	3,278	3,131	2,792	2,363	2,282	3,450	3,368	2,884	3,482	3,000
Other 5/	12,033	9,074	9,318	8,974	9,046	12,208	11,712	14,901	21,587	8,356
Potatoes, all	10,609	13,771	13,894	13,141	12,953	20,075	18,218	15,166	13,447	8,703
Sweetpotatoes	199	568	335	172	211	347	165	163	135	83

1/ Includes fresh production of asparagus, broccoli, carrots, cauliflower, celery, sweet corn, lettuce, honeydews, onions, & tomatoes. 2/ Includes processing production of snap beans, sweet corn, green peas, tomatoes, cucumbers (for pickles), asparagus, broccoli, carrots, & cauliflower. 3/ Excludes estimates reinstated in 1992 to preserve series comparability. 4/ Fresh & processing agaricus mushrooms only. Excludes specialty varieties. Crop year July 1 - June 30. 5/ Includes snap beans, broccoli, cabbage, carrots, cauliflower, celery, sweet corn, cucumbers, eggplant, bell peppers, squash, cantaloupes, honeydews, & watermelons. P = preliminary. — = not available.

Information contacts: Gary Lucier (202) 219-0117 or John Love (202) 219-0388.

Table 22.—Other Commodities

	Annual					1993			1994	
	1989	1990	1991	1992	1993	Apr-June	July-Sept	Oct-Dec	Jan-Mar	Apr-June
Sugar										
Production 1/	8,841	6,334	7,145	7,501	7,768	825	735	3,913	2,194	628
Deliveries 1/	8,340	8,661	8,704	8,936	9,030	2,201	2,491	2,270	2,116	2,277
Stocks, ending 1/	2,947	2,729	3,039	3,225	3,486	3,014	1,673	3,486	3,980	2,631
Coffee										
Composite green price N.Y. (cts./lb.)	95.17	76.93	70.09	55.30	64.31	55.07	69.47	72.21	76.08	110.44
Imports, green bean equiv. (mil. lbs.) 2/	2,685	2,715	2,553	2,969	2,498	596	575	570	561	446
	Annual		1993							
	1991	1992	1993	Apr	Nov	Dec	Jan	Feb	Mar	Apr
Tobacco										
Avg. price to grower 3/										
Flue-cured (\$/lb.)	172.3	172.8	188.8	—	189.5	—	—	—	—	—
Burley (\$/lb.)	178.8	181.5	181.5	—	182.5	181.5	180.5	179.0	—	—
Domestic consumption 4/										
Cigarettes (bil.)	518.3	509.5	462.9	37.8	36.5	39.2	34.4	38.0	44.4	37.8
Large cigars (mil.)	2,231.9	2,217.1	2,237.8	169.0	175.4	223.5	139.3	156.1	204.4	177.2

1/ 1,000 short tons, raw value. Quarterly data shown at end of each quarter. 2/ Net imports of green & processed coffee. 3/ Crop year July-June for flue-cured, Oct-Sept. for burley. 4/ Taxable removals. — = not available.

Information contacts: Sugar, Peter Brizzani (202) 219-0488. Coffee, Fred Gray (202) 219-0012. Tobacco, Verner Grise (202) 219-0890.

World Agriculture

Table 23.—World Supply & Utilization of Major Crops, Livestock & Products

	1988/89	1989/90	1990/91	1991/92	1992/93 P	1993/94 F	1994/95 F
Million units							
Wheat							
Area (hectares)	217.4	225.8	231.5	222.4	222.7	222.3	215.8
Production (metric tons)	495.0	533.2	588.2	542.8	581.5	560.3	535.5
Exports (metric tons) 1/	102.4	102.8	101.4	109.2	111.9	98.8	99.4
Consumption (metric tons) 2/	524.3	532.2	583.5	558.6	542.8	566.3	558.9
Ending stocks (metric tons) 3/	120.5	121.5	148.2	130.2	148.9	142.9	119.4
Coarse grains							
Area (hectares)	323.4	321.1	314.5	318.2	318.9	310.4	312.4
Production (metric tons)	721.0	791.0	821.7	803.1	882.8	785.1	855.8
Exports (metric tons) 1/	95.5	103.9	88.5	94.4	89.8	84.3	85.1
Consumption (metric tons) 2/	785.0	813.8	809.3	808.5	834.1	828.7	847.9
Ending stocks (metric tons) 3/	151.0	128.2	140.8	137.2	166.0	122.3	130.1
Rice, milled							
Area (hectares)	145.5	146.8	146.7	148.1	145.2	144.3	144.5
Production (metric tons)	330.1	343.1	350.7	352.3	352.5	350.3	350.8
Exports (metric tons) 4/	13.9	11.7	12.1	14.1	14.8	15.5	15.1
Consumption (metric tons) 2/	327.7	336.5	345.9	356.0	353.4	355.1	357.7
Ending stocks (metric tons) 3/	47.9	54.5	59.2	55.8	54.7	49.9	43.1
Total grains							
Area (hectares)	686.3	693.5	692.7	688.7	686.8	677.0	672.5
Production (metric tons)	1,548.1	1,667.3	1,760.8	1,698.0	1,778.8	1,695.7	1,741.9
Exports (metric tons) 1/	211.8	218.4	202.0	217.7	218.5	198.8	199.8
Consumption (metric tons) 2/	1,837.0	1,882.5	1,718.7	1,721.1	1,730.3	1,750.1	1,764.5
Ending stocks (metric tons) 3/	319.4	304.2	348.0	323.0	369.6	315.1	292.6
Oilseeds							
Crush (metric tons)	164.5	171.7	178.8	185.2	183.6	185.8	194.8
Production (metric tons)	201.8	212.4	215.7	224.5	227.1	225.3	248.4
Exports (metric tons)	31.5	35.6	33.4	37.6	37.7	37.2	39.9
Ending stocks (metric tons)	22.1	23.7	23.4	21.8	23.2	18.8	25.9
Meals							
Production (metric tons)	111.1	116.8	119.1	125.0	124.2	127.2	132.8
Exports (metric tons)	37.4	39.8	40.7	43.2	41.8	42.9	43.7
Oils							
Production (metric tons)	53.3	57.1	58.1	60.6	60.9	62.1	65.2
Exports (metric tons)	18.1	20.4	20.5	21.1	20.8	21.8	22.2
Cotton							
Area (hectares)	33.8	31.8	33.2	34.8	32.6	30.5	32.4
Production (bales)	84.4	79.7	87.0	96.0	82.7	76.5	86.2
Exports (bales)	33.4	31.3	29.7	28.1	25.4	28.9	27.7
Consumption (bales)	85.3	86.6	85.5	84.5	85.5	84.8	86.7
Ending stocks (bales)	31.4	25.8	28.1	40.1	37.5	29.8	29.5
	1988	1989	1990	1991	1992	1993 P	1994 F
Red meat							
Production (metric tons)	110.5	112.3	113.9	115.5	116.5	117.0	120.2
Consumption (metric tons)	108.3	110.9	111.8	113.5	113.5	114.3	117.5
Exports (metric tons) 1/	8	8.2	8.2	8.4	7.9	8.0	8.1
Poultry 5/							
Production (metric tons)	32	33.1	35.0	36.8	39	40.5	42.1
Consumption (metric tons)	31.4	32.8	34.3	36.2	38.5	39.8	41.1
Exports (metric tons) 1/	1.7	1.7	1.9	2.2	2.3	2.8	3.1
Dairy							
Milk production (metric tons) 6/	—	387.4	395.3	385.3	379.8	379.9	381.1

1/ Excludes intra-EC trade. 2/ Where stocks data not available (excluding USSR), consumption includes stock changes. 3/ Stocks data are based on differing marketing years & do not represent levels at a given date. Data not available for all countries; includes estimated change in USSR grain stocks but not absolute level. 4/ Calendar year data. 1989 data correspond with 1988/89, etc. 5/ Poultry excludes the Peoples Republic of China before 1988. 6/ Data prior to 1989 no longer comparable. P = preliminary, F = forecast, — = not available.

Information contacts: Crops, Carol Whitton (202) 219-0825; red meat & poultry, Shayle Shagam (202) 219-0360; dairy, Sara Short (202) 219-0769.

U.S. Agricultural Trade

Table 24.—Prices of Principal U.S. Agricultural Trade Products

	Annual			1993	1994						
	1991	1992	1993	July	Feb	Mar	Apr	May	June	July	
Export commodities											
Wheat, f.o.b. vessel, Gulf ports (\$/bu.)	3.52	4.13	3.83	3.50	4.01	3.85	3.83	3.82	3.79	3.75	
Corn, f.o.b. vessel, Gulf ports (\$/bu.)	2.75	2.66	2.62	2.64	3.15	3.05	2.87	2.81	2.85	2.50	
Grain sorghum, f.o.b. vessel, Gulf ports (\$/bu.)	2.69	2.63	2.56	2.60	3.07	2.93	2.74	2.77	2.75	2.49	
Soybeans, f.o.b. vessel, Gulf ports (\$/bu.)	6.05	6.01	6.53	7.32	7.12	7.12	6.88	7.04	6.99	6.29	
Soybean oil, Decatur (cts./lb.)	20.14	19.18	22.83	23.96	28.73	28.82	27.95	29.01	27.51	24.50	
Soybean meal, Decatur (\$/ton)	172.90	177.79	199.18	229.44	198.37	194.96	189.22	193.07	196.60	181.81	
Cotton, 7—market avg. spot (cts./lb.)	69.69	53.90	55.36	54.35	72.69	72.74	76.12	79.34	76.85	71.87	
Tobacco, avg. price at auction (cts./lb.)	179.23	172.58	171.95	157.44	186.03	158.01	169.97	169.97	169.97	149.96	
Rice, f.o.b. mill, Houston (\$/cwt)	16.46	16.80	16.12	13.50	25.50	24.88	23.25	21.40	19.25	17.25	
Inedible tallow, Chicago (cts./lb.)	13.28	14.37	14.89	14.95	15.14	15.44	14.94	15.56	16.27	17.28	
Import commodities											
Coffee, N.Y. spot (\$/lb.)	0.71	0.50	0.59	0.61	0.68	0.74	0.79	1.10	1.27	2.15	
Rubber, N.Y. spot (cts./lb.)	45.73	46.25	45.00	43.30	46.12	49.62	50.83	51.42	55.08	62.49	
Cocoa beans, N.Y. (\$/lb.)	0.52	0.47	0.47	0.45	0.51	0.55	0.52	0.58	0.61	0.66	

Information contact: Mary Teymourian (202) 501-8516.

Table 25.—Indexes of Real Trade-Weighted Dollar Exchange Rates ^{1/}

	1993		1994								
	Nov	Dec	Jan	Feb	Mar	Apr	May P	Jun P	July P	Aug P	Sep P
	1985 = 100										
Total U.S. trade ^{2/}	69.7	69.9	70.6	70.1	69.1	68.9	68.2	67.6	65.9	65.2	64.4
Agricultural trade											
U.S. markets	76.7	76.9	77.2	76.4	75.9	75.8	75.7	75.8	74.4	73.9	73.5
U.S. competitors	76.7	76.2	76.1	76.3	77.8	76.3	77.3	76.6	75.9	75.6	75.2
Wheat											
U.S. markets	93.2	93.1	92.8	91.6	90.6	91.0	91.1	91.3	90.0	89.6	89.3
U.S. competitors	77.1	77.2	76.8	77.2	77.6	78.1	77.5	77.1	76.6	76.6	76.5
Soybeans											
U.S. markets	66.2	66.5	67.2	68.2	65.5	65.1	64.8	64.5	62.7	61.9	61.2
U.S. competitors	49.4	49.0	48.7	48.6	48.1	48.0	47.8	48.2	48.0	47.9	47.8
Corn											
U.S. markets	67.7	68.0	68.4	67.0	66.8	66.4	66.8	67.1	65.6	65.1	64.8
U.S. competitors	59.6	59.3	59.8	59.8	59.2	59.3	58.7	58.3	57.5	57.1	56.7
Cotton											
U.S. markets	72.5	72.7	73.1	71.6	71.3	70.9	70.7	70.5	69.1	68.4	67.9
U.S. competitors	106.4	105.4	104.3	105.3	105.1	105.6	104.2	102.3	101.5	101.1	100.5

^{1/} Real indexes adjust nominal exchange rates for differences in rates of inflation, to avoid the distortion caused by high-inflation countries. A higher value means the dollar has appreciated. See the October 1988 issue of Agricultural Outlook for a discussion of the calculations and the weights used. ^{2/} Federal Reserve Board Index of trade-weighted value of the U.S. dollar against 10 major currencies. Weights are based on relative importance in world financial markets. P = preliminary.

Information contact: Douglas Rhoades (202) 219-0754.

Table 26.—Trade Balance

	Fiscal year ^{1/}								June
	1987	1988	1989	1990	1991	1992	1993	1994 F	1994
	\$ million								
Exports									
Agricultural	27,876	35,316	39,590	40,220	37,609	42,430	42,590	42,500	3,298
Nonagricultural	202,911	258,656	301,269	326,059	356,682	383,517	390,783	—	37,320
Total ^{2/}	230,787	293,972	340,859	366,279	394,291	425,947	433,373	—	40,618
Imports									
Agricultural	20,850	21,014	21,476	22,560	22,588	24,323	24,454	25,500	2,191
Nonagricultural	367,374	409,138	441,075	458,101	463,720	488,556	537,584	—	54,790
Total ^{3/}	388,024	430,152	462,551	480,661	486,308	512,879	562,038	—	56,981
Trade balance									
Agricultural	7,226	14,302	18,114	17,660	15,021	18,107	18,136	17,000	1,107
Nonagricultural	-164,463	-150,482	-139,806	-132,042	-107,038	-105,039	-146,801	—	-17,470
Total	-157,237	-136,180	-121,692	-114,382	-92,017	-86,932	-128,665	—	-16,363

^{1/} Fiscal years begin October 1 and September 30. Fiscal year 1993 began Oct. 1, 1992 & ended Sept. 30, 1993. ^{2/} Domestic exports including Department of Defense shipments (F.A.S. value). ^{3/} Imports for consumption (customs value). F = forecast. — = not available.

Table 27.—U.S. Agricultural Exports & Imports

	Fiscal year *			June	Fiscal year *			June
	1992	1993	1994 F	1994	1992	1993	1994 F	1994
	1,000 units				\$ million			
EXPORTS								
Animals, live (no.) 1/	1,476	1,107	—	95	567	358	—	26
Meats & preps., excl. poultry (mt)	1,107	1,160	2/ 1,000	108	3,236	3,349	—	278
Dairy products (mt) 1/	174	211	—	11	641	762	900	50
Poultry meats (mt)	794	986	1,300	118	915	1,031	—	135
Fats, oils, & greases (mt)	1,392	1,362	1,300	121	496	519	—	47
Hides & skins incl. furskins	—	—	—	—	1,336	1,288	—	133
Cattle hides, whole (no.) 1/	20,803	19,784	—	1,738	1,106	1,062	—	99
Mink pelts (no.) 1/	3,180	3,119	—	389	52	56	—	13
Grains & feeds (mt)	100,881	103,743	—	5,708	13,873	14,104	13,200	913
Wheat (mt)	34,322	36,078	31,000	1,994	4,323	4,737	4/ 4,200	264
Wheat flour (mt)	813	1,075	1,000	57	165	217	—	12
Rice (mt)	2,279	2,710	2,400	179	757	766	900	76
Feed grains, incl. products (mt)	50,752	50,705	38,700	2,521	5,801	5,281	4,500	304
Feeds & fodders (mt)	11,267	11,500	5/ 11,900	837	2,019	2,147	—	172
Other grain products (mt)	1,448	1,676	—	120	807	976	—	86
Fruits, nuts, & preps. (mt)	3,505	3,398	—	309	3,514	3,409	4,100	333
Fruit juices incl.								
froz. (1,000 hectoliters) 1/	7,767	7,845	—	684	427	423	—	47
Vegetables & preps. (mt)	2,703	2,790	—	308	2,790	3,220	—	313
Tobacco, unmanufactured (mt)	246	231	—	15	1,568	1,443	1,200	93
Cotton, excl. linters (mt)	1,494	1,125	1,600	188	2,183	1,526	2,300	264
Seeds (mt)	612	533	—	17	650	648	800	22
Sugar, cane or beet (mt) 1/	492	337	—	24	154	106	—	8
Oilseeds & products (mt)	28,671	29,190	—	1,110	7,162	7,211	6,800	342
Oilseeds (mt)	19,939	21,049	—	761	4,735	4,982	—	217
Soybeans (mt)	19,277	20,400	15,800	728	4,318	4,806	4,100	191
Protein meal (mt)	7,082	6,539	—	288	1,445	1,261	—	53
Vegetable oils (mt)	1,851	1,801	—	81	982	968	—	72
Essential oils (mt)	13	13	—	1	184	185	—	16
Other	91	92	—	17	2,733	3,011	—	277
Total	142,175	145,171	125,600	8,035	42,430	42,590	42,500	3,298
IMPORTS								
Animals, live (no.) 1/	2,830	3,461	—	207	1,275	1,569	1,300	101
Meats & preps., excl. poultry (mt)	1,134	1,128	—	109	2,884	2,726	—	251
Beef & veal (mt)	813	793	780	76	1,933	1,919	1,900	174
Pork (mt)	263	276	315	26	625	663	800	62
Dairy products (mt) 1/	232	231	—	20	816	860	900	79
Poultry & products 1/	—	—	—	—	132	137	—	12
Fats, oils, & greases (mt)	46	44	—	3	26	30	—	2
Hides & skins, incl. furskins 1/	—	—	—	—	185	181	—	20
Wool, unmanufactured (mt)	54	60	—	4	167	173	—	12
Grains & feeds (mt)	5,446	4,942	10,300	943	1,548	1,639	2,200	203
Fruits, nuts, & preps., excl. juices (mt)	5,883	6,089	6,000	536	2,919	2,988	—	249
Bananas & plantains (mt)	3,626	3,737	3,700	345	1,083	1,083	1,000	92
Fruit juices (1,000 hectoliters) 1/	26,049	27,053	28,000	3,119	871	640	—	62
Vegetables & preps. (mt)	2,171	2,733	—	181	2,125	2,440	2,600	195
Tobacco, unmanufactured (mt)	364	386	300	37	1,299	1,101	900	74
Cotton, unmanufactured (mt)	11	12	—	2	10	11	—	2
Seeds (mt)	174	189	300	6	214	214	400	13
Nursery stock & cut flowers 1/	—	—	—	—	578	629	—	37
Sugar, cane or beet (mt)	1,623	1,569	—	157	633	591	—	60
Oilseeds & products (mt)	2,330	2,484	—	234	1,124	1,204	1,400	120
Oilseeds (mt)	429	373	—	60	135	130	—	20
Protein meal (mt)	629	618	—	57	84	89	—	8
Vegetable oils (mt)	1,273	1,492	—	118	904	985	—	91
Beverages excl. fruit juices (1,000 hectoliters) 1/	13,739	14,014	—	1,606	2,044	1,975	—	205
Coffee, tea, cocoa, spices (mt)	2,391	2,244	1,990	145	3,415	3,018	—	276
Coffee, incl. products (mt)	1,330	1,185	900	73	1,798	1,502	1,800	160
Cocoa beans & products (mt)	773	770	800	51	1,122	1,028	1,100	75
Rubber & allied gums (mt)	920	981	1,100	79	756	839	900	76
Other	—	—	—	—	1,503	1,488	—	142
Total	—	—	—	—	24,323	24,454	25,500	2,191

*Fiscal years begin Oct. 1 and end Sept. 30. Fiscal year 1993 began Oct. 1, 1992 & ended Sept. 30, 1993. 1/ Not included in total volume.
 2/ Forecasts for footnoted items 2/–5/ are based on slightly different groups of commodities. Totals for fiscal 1993 forecast commodities were 2/ 903,000 tons. 3/ \$14,332 million. 4/ \$4,954 million, includes flour. 5/ 11,885 million tons. F = forecast — = not available.

Information contact: Joel Greene (202) 219-0816.

Table 28.—U.S. Agricultural Exports by Region

Region & country	Fiscal year*			June 1994	Change from year* earlier			June 1994
	1992	1993	1994 F		1992	1993	1994 F	
	\$ million				Percent			
WESTERN EUROPE	7,740	7,499	6,800	387	6	-3	-9	1
European Union	7,193	7,022	6,300	355	6	-2	-10	1
Belgium-Luxembourg	461	482	—	32	-1	5	—	28
France	618	613	—	28	8	-1	—	-18
Germany	1,091	1,146	—	55	-4	5	—	-3
Italy	684	568	—	29	1	-17	—	18
Netherlands	1,812	1,801	—	64	16	-1	—	-31
United Kingdom	882	916	—	68	0	4	—	9
Portugal	240	223	—	11	-4	-7	—	-18
Spain, incl. Canary Islands	951	829	—	48	11	-13	—	77
Other Western Europe	546	477	500	32	2	-13	15	3
Switzerland	187	152	—	10	-4	-19	—	1
EASTERN EUROPE	222	488	300	14	-27	111	-36	-43
Poland	49	230	—	6	7	368	—	99
Former Yugoslavia	50	47	—	2	-32	-6	—	-58
Romania	76	107	—	5	-7	42	—	-65
Former Soviet Union	2,704	1,561	1,500	64	54	-42	-4	-30
ASIA	17,782	17,832	17,400	1,566	10	0	-2	14
West Asia (Mideast)	1,770	1,922	1,700	86	24	9	-12	-33
Turkey	344	369	—	10	54	7	—	-83
Iraq	0	1	0	0	0	150	—	-100
Israel, incl. Gaza & W. Bank	346	382	400	12	21	10	5	-20
Saudi Arabia	549	463	500	33	2	-16	8	9
South Asia	536	641	—	31	43	20	—	283
Bangladesh	123	52	—	5	84	-58	—	451
India	117	228	—	11	24	93	—	58
Pakistan	226	236	300	13	57	4	27	3,139
China	690	322	700	138	3	-53	117	312
Japan	8,383	8,461	9,400	768	8	1	11	5
Southeast Asia	1,470	1,551	—	119	19	6	—	17
Indonesia	353	327	—	26	27	-7	—	19
Philippines	443	512	500	36	19	16	-2	30
Other East Asia	4,934	4,935	5,200	421	6	0	6	15
Taiwan	1,916	1,999	2,200	159	10	4	10	19
Korea, Rep.	2,200	2,041	1,900	161	2	-7	-7	0
Hong Kong	817	880	1,000	101	10	8	14	41
AFRICA	2,304	2,671	2,100	167	22	16	-21	-9
North Africa	1,411	1,659	1,400	93	2	18	-16	-32
Morocco	156	310	—	12	21	98	—	-53
Algeria	478	458	700	19	0	-4	53	-58
Egypt	709	756	800	60	2	7	-21	3
Sub-Saharan	893	1,012	700	75	80	13	-31	61
Nigeria	31	158	—	9	-30	413	—	-6
Rep. S. Africa	328	383	—	13	343	17	—	-4
LATIN AMERICA & CARIBBEAN	6,438	6,883	7,000	556	17	7	2	-3
Brazil	143	231	200	11	-47	61	-13	2
Caribbean Islands	970	1,015	—	69	-4	5	—	-12
Central America	587	675	—	70	18	15	—	-4
Colombia	142	234	—	15	15	65	—	-21
Mexico	3,676	3,660	3,900	329	27	0	7	0
Peru	179	172	—	10	19	-4	—	-17
Venezuela	394	502	400	30	28	27	-20	11
CANADA	4,812	5,220	5,200	505	9	8	0	3
OCEANIA	429	456	500	39	23	6	10	11
TOTAL	42,430	42,590	42,500	3,298	13	0	0	5
Developed countries	21,968	22,337	22,200	1,720	9	2	-1	4
Developing countries	19,771	19,918	—	1,374	17	1	—	1
Other countries	691	335	—	204	3	-51	—	65

*Fiscal years begin Oct. 1 and end Sept. 30. Fiscal year 1993 began Oct. 1, 1992 & ended Sept. 30, 1993. F = forecast. — = not available.
 Note: Adjusted for transshipments through Canada.

Information contact: Joel Greene (202) 219-0816.

Farm Income

Table 29.—Farm Income Statistics

	Calendar year										
	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993 P	1994 F
	\$ billion										
1. Farm receipts	147.7	150.1	140.0	148.5	158.4	168.9	177.5	176.8	179.0	183.9	186 to 192
Crops (incl. net CCC loans)	69.9	74.3	63.7	65.9	71.7	77.0	80.1	82.1	84.9	84.5	88 to 92
Livestock	72.9	69.8	71.6	76.0	79.4	84.1	89.8	86.7	86.3	90.6	89 to 93
Farm related 1/	4.9	6.0	5.7	6.6	7.3	7.8	7.6	7.8	7.8	8.8	7 to 9
2. Direct Government payments	8.4	7.7	11.8	16.7	14.5	10.9	9.3	8.2	9.2	13.4	8 to 10
Cash payments	4.0	7.6	8.1	6.8	7.1	9.1	8.4	8.2	9.2	13.4	8 to 10
Value of PIK commodities	4.6	0.1	3.7	10.1	7.4	1.7	0.9	0.0	0.0	0	0 to 1
3. Gross cash income (1+2) 2/	156.1	157.9	152.8	165.1	172.9	179.8	186.8	184.9	188.2	197.2	194 to 202
4. Nonmoney income 3/	5.9	5.6	5.5	5.6	8.3	8.1	8.0	7.7	7.8	7.9	7 to 9
5. Value of inventory change	6.0	-2.3	-2.2	-2.3	-3.4	4.8	3.4	-0.3	4.3	-3.8	4 to 6
6. Total gross farm income (3+4+5)	168.0	161.2	156.1	168.5	175.8	192.8	198.2	192.3	200.2	201.4	207 to 215
7. Cash expenses 4/	118.7	110.7	105.0	109.4	118.0	125.6	131.8	131.7	130.8	138.7	139 to 145
8. Total expenses	141.9	132.4	125.1	128.8	137.8	144.9	151.3	151.2	150.1	158.0	159 to 165
9. Net cash income (3-7)	37.4	47.1	47.8	55.8	53.9	54.2	55.1	53.2	57.4	58.5	53 to 57
10. Net farm income (6-8)	26.1	28.8	31.0	39.7	38.0	47.9	46.9	41.1	50.1	43.4	47 to 51
Deflated (1987\$)	28.7	30.5	32.0	39.7	37.3	43.3	41.1	34.9	41.5	34.9	37 to 41

1/ Income from machine hire, custom work, sales of forest products, & other miscellaneous cash sources. 2/ Numbers in parentheses indicate the combination of items required to calculate a given item. 3/ Value of home consumption of self-produced food & imputed gross rental value of farm dwellings. 4/ Excludes capital consumption, perquisites to hired labor, & farm household expenses. Total may not add because of rounding. P = preliminary. F = forecast.
Note: 1988-92 accounts (primarily expenses) have been revised to reflect improved methods for estimating farm income. Call contact for information.

Information contact: Robert McElroy (202) 219-0802.

Table 30.—Average Income to Farm Operator Households

	Calendar year					
	1989	1990	1991	1992	1993 P	1994 F
	\$ per operator household					
Farm income to household 1/	5,796	5,742	5,810	7,180	5,125	4,300 to 5,900
Self-employment farm income	4,723	4,973	4,458	5,172	4,710	—
Other farm income to household	1,073	768	1,352	2,008	415	—
Plus: Total off-farm income	26,223	33,265	31,838	35,731	33,178	35,500 to 37,500
Income from wages, salaries, and non-farm businesses	19,467	24,778	23,551	27,022	23,868	—
Income from interest, dividends, transfer payments, etc.	6,756	8,487	8,087	8,709	9,308	—
Equals: Farm operator household income	32,019	39,007	37,447	42,911	38,303	39,900 to 43,400

1/ Farm income to the household equals self-employment income plus amounts that operators pay themselves & family members to work on the farm, income from renting out acreage, & net income from a farm business other than the one being surveyed. Data for 1989-90 are based on surveys that did not fully account for small farms. Data for 1991 include an additional 350,000 farms, many with gross sales under \$10,000 & negative net farm incomes. P = preliminary. F = forecast. — = not available at this time.

Information contact: Janet Perry (202) 219-0803.

Table 31.—Balance Sheet of the U.S. Farming Sector

	Calendar year 1/										
	1984	1985	1986	1987	1988	1989	1990	1991	1992 F	1993 F	1994 F
	\$ billion										
Assets											
Real estate	661.8	586.2	542.3	578.9	595.5	615.7	628.2	623.2	633.1	656	677 to 687
Non-real estate	195.2	186.5	182.1	193.7	205.6	214.1	220.2	219.1	228.4	229	230 to 240
Livestock & poultry	49.5	46.3	47.8	58.0	62.2	66.2	70.9	68.1	71.3	72	72 to 76
Machinery & motor vehicles	85.0	82.9	81.5	80.0	81.2	85.1	85.4	85.8	85.6	85	86 to 90
Crops stored 2/	26.1	22.9	16.3	17.5	23.3	23.4	22.8	22.0	24.1	23	24 to 28
Purchased inputs	2.0	1.2	2.1	3.2	3.5	2.8	2.8	2.8	3.9	4	2 to 4
Financial assets	32.6	33.3	34.5	35.1	35.4	36.8	38.3	40.6	43.4	45	45 to 49
Total farm assets	857.0	772.7	724.4	772.6	801.1	829.7	848.4	842.2	861.5	886	915 to 925
Liabilities											
Real estate debt 3/	106.7	100.1	90.4	82.4	77.8	75.4	74.1	74.6	75.6	76	75 to 79
Non-real estate debt 4/	87.1	77.5	66.6	62.0	61.7	61.9	63.2	64.3	63.6	66	64 to 68
Total farm debt	193.8	177.6	157.0	144.4	139.4	137.2	137.4	138.9	139.3	142	141 to 145
Total farm equity	663.3	595.1	567.5	628.2	661.7	692.4	710.9	703.3	722.2	744	771 to 781
	Percent										
Selected ratios											
Debt-to-assets	22.6	23.0	21.7	18.7	17.4	16.5	16.2	16.5	16.2	16	15 to 17
Debt-to-equity	29.2	29.8	27.7	23.0	21.1	19.8	19.3	19.7	19.3	19	18 to 20
Debt-to-net cash income	518	377	328	259	256	251	246	260	245	247	260 to 270

1/ As of Dec. 31. 2/ Non-CCC crops held on farms plus value above loan rates for crops held under CCC. 3/ Excludes debt on operator dwellings, but includes CCC storage and drying facilities loans. 4/ Excludes debt for nonfarm purposes. F = forecast.

Information contacts: Ken Erickson, (202) 219-0799, Jim Ryan (202) 219-0796.

Table 32.—Cash Receipts From Farm Marketings, by State

Region & State	Livestock & products				Crops 1/				Total 1/			
	1992	1993	May 1994	June 1994	1992	1993	May 1994	June 1994	1992	1993	May 1994	June 1994
	\$ million 2/											
NORTH ATLANTIC												
Maine	301	316	23	23	213	202	21	2	513	517	45	24
New Hampshire	65	65	6	5	79	79	6	3	144	144	11	8
Vermont	389	378	37	34	63	61	6	3	452	439	43	37
Massachusetts	135	135	11	10	356	360	20	21	491	495	31	32
Rhode Island	13	13	1	1	60	59	5	3	72	72	6	4
Connecticut	240	274	19	20	249	242	21	14	489	517	40	34
New York	1,914	1,886	172	159	1,032	1,032	58	80	2,946	2,918	229	239
New Jersey	192	192	17	16	465	465	65	75	657	657	83	92
Pennsylvania	2,554	2,576	229	208	1,084	1,079	85	76	3,618	3,655	314	284
NORTH CENTRAL												
Ohio	1,580	1,632	152	132	2,587	2,548	169	157	4,167	4,180	321	289
Indiana	1,821	1,918	141	154	2,684	3,185	147	202	4,505	5,103	288	357
Illinois	2,202	2,259	182	165	5,431	5,814	375	462	7,634	8,073	558	827
Michigan	1,325	1,353	115	107	1,962	2,396	119	100	3,288	3,749	234	208
Wisconsin	4,313	4,300	364	343	1,186	1,113	54	61	5,499	5,414	419	404
Minnesota	3,622	3,721	294	282	3,480	2,818	143	150	7,082	6,537	437	432
Iowa	5,614	5,898	480	417	4,718	4,213	230	227	10,330	10,111	711	644
Missouri	2,188	2,303	184	168	1,935	1,797	61	103	4,123	4,100	245	271
North Dakota	755	771	46	40	2,339	2,264	69	134	3,094	3,035	115	173
South Dakota	1,968	2,057	165	148	1,263	1,181	43	46	3,229	3,238	208	194
Nebraska	5,674	5,852	543	369	3,109	3,096	136	147	8,783	8,949	679	516
Kansas	4,558	4,675	409	356	2,442	2,621	83	137	7,000	7,295	492	493
SOUTHERN												
Delaware	451	501	36	47	184	170	8	13	636	671	44	60
Maryland	804	855	66	78	587	548	38	37	1,391	1,402	105	113
Virginia	1,353	1,417	108	114	781	687	25	43	2,134	2,105	132	157
West Virginia	267	258	26	26	75	75	3	7	343	334	29	33
North Carolina	2,795	3,132	245	259	2,386	2,225	93	116	5,181	5,357	337	375
South Carolina	545	550	49	42	632	594	26	53	1,177	1,144	75	95
Georgia	2,309	2,495	196	233	1,764	1,603	82	116	4,073	4,098	278	350
Florida	1,160	1,171	92	89	4,985	4,748	497	399	6,145	5,919	589	488
Kentucky	1,641	1,686	124	93	1,580	1,675	37	54	3,221	3,361	161	147
Tennessee	1,061	1,076	95	83	1,042	1,002	34	48	2,103	2,078	130	131
Alabama	2,063	2,152	159	180	768	738	37	52	2,830	2,890	196	231
Mississippi	1,355	1,507	121	149	1,247	1,041	25	38	2,602	2,548	146	185
Arkansas	2,702	2,855	205	270	1,901	1,516	30	110	4,602	4,370	235	380
Louisiana	587	614	59	57	1,259	1,095	20	22	1,848	1,709	78	78
Oklahoma	2,498	2,683	174	196	1,137	1,096	51	187	3,635	3,780	225	383
Texas	7,523	8,221	699	617	4,097	4,202	179	274	11,620	12,423	878	891
WESTERN												
Montana	921	986	53	31	821	818	59	57	1,742	1,804	111	98
Idaho	1,173	1,231	93	77	1,643	1,714	89	74	2,816	2,945	181	151
Wyoming	606	634	29	16	167	158	3	3	773	792	32	19
Colorado	2,955	3,051	221	168	1,083	1,184	86	69	4,038	4,235	307	237
New Mexico	1,040	1,104	72	79	490	486	43	57	1,530	1,590	115	138
Arizona	892	1,003	95	69	943	1,072	76	69	1,835	2,074	161	138
Utah	556	555	48	49	182	188	10	11	738	743	58	60
Nevada	202	202	18	14	71	94	4	7	273	295	22	21
Washington	1,532	1,520	122	125	2,922	2,899	149	204	4,454	4,419	272	330
Oregon	795	801	80	55	1,695	1,718	76	107	2,490	2,519	156	162
California	5,055	5,355	421	419	13,179	12,755	1,217	932	18,234	18,110	1,637	1,351
Alaska	6	6	1	0	20	20	1	2	25	25	2	2
Hawaii	88	89	8	8	476	405	33	34	564	494	40	42
UNITED STATES	86,358	90,283	7,292	6,798	84,810	83,150	4,949	5,397	171,168	173,433	12,241	12,195

1/ Sales of farm products include receipts from commodities placed under nonrecourse CCC loans, plus additional gains realized on redemptions during the period. 2/ Estimates as of end of current month. Totals may not add because of rounding.

Information contact: Roger Strickland (202) 219-0806. To receive current monthly cash receipts via postal mail or e-mail contact Bob Dubman at (202) 219-0809 or BOUBMAN@ERS.BITNET.

Table 33.—Cash Receipts From Farming

	Annual						1993	1994				
	1988	1989	1990	1991	1992	1993	June	Feb	Mar	Apr	May	June
	\$ million											
Farm marketings & CCC loans*	151,154	161,163	169,973	168,721	171,168	173,433	12,211	12,372	13,429	12,198	12,241	12,195
Livestock & products	79,434	84,122	89,843	86,780	86,358	90,283	7,061	7,310	7,793	7,167	7,292	6,798
Meat animals	46,492	46,857	51,911	51,089	48,427	51,353	3,791	4,291	4,360	3,755	4,082	3,353
Dairy products	17,841	18,396	20,149	18,037	19,848	19,819	1,675	1,594	1,758	1,739	1,763	1,844
Poultry & eggs	12,868	15,372	15,243	15,122	15,441	16,681	1,392	1,247	1,480	1,485	1,282	1,595
Other	2,433	2,498	2,540	2,531	2,842	2,650	203	178	193	177	185	196
Crops	71,720	77,040	80,130	81,942	84,810	83,160	5,150	5,082	5,636	5,039	4,949	5,397
Food grains	7,489	8,247	7,517	7,410	8,890	7,985	741	529	529	360	312	888
Feed crops	14,283	17,054	18,671	19,491	20,073	19,528	1,183	1,382	1,524	1,052	926	1,209
Cotton (lint & seed)	4,546	5,033	5,489	5,238	5,207	5,181	38	284	177	73	69	52
Tobacco	2,083	2,415	2,741	2,888	2,961	2,958	0	79	32	0	0	0
Oil-bearing crops	13,500	11,886	12,258	12,700	12,998	13,055	722	714	775	618	701	734
Vegetables & melons	9,818	11,598	11,449	11,552	11,436	11,631	1,040	719	948	992	1,329	1,081
Fruits & tree nuts	9,027	9,173	9,440	9,888	10,183	9,917	699	520	476	449	480	710
Other	10,993	11,657	12,566	12,778	13,065	12,899	728	835	1,175	1,497	1,134	742
Government payments	14,480	10,887	9,298	8,214	9,169	13,174	368	1,185	1,320	1,337	735	248
Total	185,582	171,914	179,218	175,506	179,338	186,607	12,679	13,558	14,749	13,561	12,976	12,443

* Sales of farm products include receipts from commodities placed under nonrecourse CCC loans. Plus additional gains realized on redemptions during the period. — = not available.

Information contact: Roger Strickland (202) 219-0806 To receive current monthly cash receipts via mail contact Bob Dubman at (202) 219-0809 or BDUBMAN@ERS.BITNET.

Table 34.—Farm Production Expenses

	Calendar year									
	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994 F
	\$ million									
Feed purchased	18,949	17,472	17,463	20,248	20,744	20,387	19,331	20,132	21,433	21,000 to 24,000
Livestock & poultry purchased	9,184	9,758	11,842	12,764	13,138	14,833	14,274	13,868	14,949	13,000 to 15,000
Seed purchased	3,128	3,188	3,259	4,060	4,397	4,518	5,113	4,913	5,162	5,000 to 6,000
Farm-origin inputs	29,281	30,418	32,564	37,069	38,278	39,738	38,718	38,913	41,545	40,000 to 44,000
Fertilizer & lime	7,512	6,820	6,453	7,679	8,176	8,208	8,667	8,333	8,398	8,000 to 9,000
Fuels & oils	6,438	5,310	4,957	4,800	4,772	5,790	5,808	5,299	5,364	5,000 to 6,000
Electricity	1,678	1,795	2,156	2,360	2,848	2,607	2,634	2,611	2,677	2,000 to 3,000
Pesticides	4,334	4,324	4,512	4,148	5,012	5,382	6,319	6,469	6,718	6,000 to 8,000
Manufactured inputs	20,159	18,249	18,078	18,967	20,807	21,967	23,228	22,712	23,157	21,000 to 25,000
Short-term interest	8,735	7,367	6,767	6,712	6,740	6,658	6,124	5,395	5,334	5,000 to 6,000
Real estate interest 1/	9,878	9,131	8,205	7,581	7,190	6,740	5,983	5,772	5,501	5,000 to 6,000
Total interest charges	18,613	16,498	14,972	14,293	13,930	13,395	12,088	11,167	10,838	10,000 to 12,000
Repair & maintenance 1/	6,370	6,426	6,759	7,717	8,407	8,553	8,630	8,469	9,154	9,000 to 10,000
Contract & hired labor	10,008	9,484	9,975	10,911	12,034	14,120	14,012	14,008	15,005	14,000 to 16,000
Machine hire & custom work	2,354	2,099	2,105	3,112	3,380	3,565	3,520	3,836	4,411	3,000 to 4,000
Marketing, storage, & transportation	4,127	3,652	4,078	3,516	4,208	4,211	4,719	4,541	5,591	6,000 to 7,000
Misc. operating expenses 1/ 2/	10,010	9,759	11,171	11,991	11,998	12,725	13,536	12,835	14,099	12,000 to 14,000
Other operating expenses	32,868	31,420	34,088	37,248	40,026	43,173	44,417	43,690	48,260	48,000 to 52,000
Capital consumption 1/	19,209	17,788	17,091	17,610	18,168	18,267	18,249	18,317	18,422	18,000 to 19,000
Taxes 1/	4,542	4,612	4,853	4,954	5,213	5,687	5,615	5,834	6,259	6,000 to 7,000
Net rent to nonoperator landlords	7,690	6,099	7,124	7,819	8,667	9,049	8,879	9,507	9,551	9,000 to 11,000
Other overhead expenses	31,531	28,499	29,069	30,183	32,048	33,003	32,743	33,658	34,239	34,000 to 36,000
Total production expenses	132,433	125,084	128,772	137,780	144,888	151,277	151,194	150,139	158,030	150,000 to 165,000

1/ Includes operator dwellings. 2/ Beginning in 1982, miscellaneous operating expenses include other livestock purchases, dairy assessments & feeding fees paid by nonoperators. Totals may not add because of rounding. P = preliminary. F = forecast.

Information contacts: Chris McGath (202) 219-0808, Robert McElroy (202) 219-0802.

Table 35.—CCC Net Outlays by Commodity & Function

COMMODITY/PROGRAM	Fiscal year									
	1986	1987	1988	1989	1990	1991	1992	1993	1994 E	1995 E
	\$ million									
COMMODITY/PROGRAM										
Feed grains										
Corn	10,524	12,346	8,227	2,863	2,435	2,387	2,105	5,143	635	1,678
Grain sorghum	1,185	1,203	764	467	349	243	190	410	133	179
Barley	471	394	57	45	-94	71	174	186	237	149
Oats	26	17	-2	1	-5	12	32	16	6	20
Corn & oat products	5	7	7	8	8	9	9	10	8	0
Total feed grains	12,211	13,967	9,053	3,384	2,693	2,722	2,510	5,765	1,019	2,026
Wheat	3,440	2,836	676	53	796	2,805	1,719	2,185	1,972	2,015
Rice	947	906	126	631	667	867	715	887	756	1,031
Upland cotton	2,142	1,786	666	1,461	-79	382	1,443	2,239	1,496	384
Tobacco	253	-346	-453	-367	-307	-143	29	235	641	71
Dairy	2,337	1,166	1,295	879	505	839	232	253	237	227
Soybeans	1,597	-476	-1,676	-86	5	40	-29	109	-162	-38
Peanuts	32	8	7	13	1	48	41	-13	38	86
Sugar	214	-65	-246	-25	15	-20	-19	-35	-25	-32
Honey	89	73	100	42	47	19	17	22	10	4
Wool	123	152	1/ 5	93	104	172	191	179	210	114
Operating expense 3/	457	535	614	620	618	625	6	6	7	7
Interest expenditure	1,411	1,219	425	98	632	745	532	129	57	27
Export programs 4/	102	276	200	-102	-34	733	1,459	2,193	1,804	1,397
1988/95 Disaster/Tree/	0	0	0	3,919	2/ 161	121	1,054	944	3,047	1,080
livestock assistance	486	371	1,665	110	647	155	-162	949	685	1,387
Other										
Total	25,841	22,408	12,461	10,523	6,471	10,110	9,738	16,047	11,792	9,786
FUNCTION										
Price-support loans (net)	13,628	12,199	4,579	-926	-399	416	584	2,065	621	321
Direct payments 5/										
Deficiency	6,166	4,833	3,971	5,798	4,178	6,224	5,491	8,607	4,360	5,047
Diversion	64	382	6	-1	0	0	0	0	0	0
Dairy termination	489	587	260	168	189	96	2	0	0	0
Loan Deficiency	27	60	0	42	3	21	214	387	483	76
Other	0	0	0	0	0	0	140	149	137	75
Disaster	0	0	6	4	0	0	0	0	0	0
Total direct payments	6,746	5,862	4,245	6,011	4,370	6,341	5,847	9,143	4,980	5,198
1988-95 crop disaster	0	0	0	3,386	2/ 5	6	960	872	2,946	1,000
Emergency livestock/tree/	0	0	31	533	156	115	94	72	102	80
forage assistance	1,670	-479	-1,131	116	-48	646	321	525	508	249
Purchases (net)										
Producer storage	485	832	658	174	185	1	14	9	13	13
payments										
Processing, storage,	1,013	1,659	1,113	659	279	240	185	136	94	110
& transportation										
Operating expense 3/	457	535	614	620	618	625	6	6	7	7
Interest expenditure	1,411	1,219	425	98	632	745	532	129	57	27
Export programs 4/	102	276	200	-102	-34	733	1,459	2,193	1,804	1,397
Other	329	305	1,727	-46	708	240	-264	897	660	1,384
Total	25,841	22,408	12,461	10,523	6,471	10,110	9,738	16,047	11,792	9,786

1/ Fiscal 1988 wool & mohair program outlays were \$130,635,000 but include a one-time advance appropriation of \$126,108,000, which was recorded as a wool program receipt by Treasury. 2/ Approximately \$1.5 billion in benefits to farmers under the Disaster Assistance Act of 1988 were paid in generic certificates in FY 90 & were not recorded directly as disaster assistance outlays. 3/ Does not include CCC Transfers to General Sales Manager. 4/ Includes Export Guarantee Program, Direct Export Credit Program, CCC Transfers to the General Sales Manager, Market Promotion Program, starting in fiscal 1991 & starting in fiscal 1992 the Export Guarantee Program - Credit Reform, Export Enhancement Program, Dairy Export Incentive Program, and Technical Assistance to Emerging Democracies. 5/ Includes cash payments only. Excludes generic certificates in FY 86-94. E = Estimated in the FY 1995 Mid-Session Review Budget which was released July 14, 1994 based on June, 1994 supply & demand estimates. Minus (-) Indicates a net receipt (excess of repayments or other receipts over gross outlays of funds).

Information contact: Richard Pazdalski (202) 720-5148.

Food Expenditures

Table 36.—Food Expenditures

	Annual			1994			1994 year-to-date		
	1991	1992	1993	June	July	Aug P	June	July	Aug P
\$ billion									
Sales 1/ Off-premise use 2/ Meals & snacks 3/	317.2 229.7	318.4 237.5	328.0 250.5	28.8 22.8	29.2 23.7	28.7 23.6	163.8 128.8	193.0 150.5	221.7 174.1
1993 \$ billion									
Sales 1/ Off-premise use 2/ Meals & snacks 3/	328.3 238.3	325.5 341.7	328.0 250.5	28.0 22.4	28.3 23.3	27.7 23.2	159.9 125.1	188.2 148.4	215.9 171.8
Percent change from year earlier (\$ bil.)									
Sales 1/ Off-premise use 2/ Meals & snacks 3/	4.3 3.1	0.4 3.4	3.0 5.5	4.5 7.3	1.8 2.9	3.7 6.8	3.1 5.7	2.9 5.2	3.0 5.4
Percent change from year earlier (1993 \$ bil.)									
Sales 1/ Off-premise use 2/ Meals & snacks 3/	1.4 -0.3	-0.9 1.4	0.8 3.6	1.5 5.6	-1.9 2.5	-0.1 4.9	0.2 3.8	-0.1 3.6	-0.1 3.8

1/ Food only (excludes alcoholic beverages). Not seasonally adjusted. 2/ Excludes donations & home production. 3/ Excludes donations, child nutrition subsidies, & meals furnished to employees, patients, & inmates. P = preliminary.

NOTE: This table differs from Personal Consumption Expenditures (PCE), table 2, for several reasons: (1) this series includes only food, excluding alcoholic beverages & pet food which are included in PCE; (2) this series is not seasonally adjusted, whereas PCE is seasonally adjusted at annual rates; (3) this series reports sales only, but PCE includes food produced & consumed on farms & food furnished to employees; (4) this series includes all sales of meals & snacks. PCE includes only purchases using personal funds, excluding business travel & entertainment. For a more complete discussion of the differences, see "Developing an Integrated Information System for the Food Sector," Agr. Econ. Rpt. No. 575, Aug 1987.

Information contact: Alden Manchester (202) 219-0756.

Transportation

Table 37.—Rail Rates; Grain & Fruit-Vegetable Shipments

	Annual			1993	1994					
	1991	1992	1993	July	Feb	Mar	Apr	May	June	July
Rail freight rate index 1/ (Dec. 1984=100)										
All products	109.3	109.9	110.9	110.9	111.7	112.0	112.0	111.9 P	112.1 P	112.1 P
Farm products	111.4	111.1	113.7	113.2	114.5	114.8	114.3	114.3 P	114.1 P	113.7 P
Grain	111.2	111.4	114.7	114.1	115.6	115.7	115.1	115.1 P	114.8 P	114.3 P
Food products	108.1	108.7	109.0	108.9	110.2	110.8	110.9	110.7 P	110.9 P	110.9 P
Grain shipments										
Rail carloadings (1,000 cars) 2/	28.6	27.4	27.4	25.7	25.1 P	25.1 P	23.7 P	22.2 P	22.0 P	24.5 P
Barge shipments (mil. ton) 3/	3.3	3.4	2.6	0.4	1.7	2.4	2.9	2.8	2.5	3.3
Fresh fruit & vegetable shipments 4/ 5/										
Piggy back (mil. cwt)	1.5	1.6	1.4	1.8	1.1	1.4	1.4	1.9	2.0	1.8
Rail (mil. cwt)	2.1	2.6	2.2	2.1	2.0	2.5	1.8	2.5	3.1	2.2
Truck (mil. cwt)	41.9	44.0	44.8	43.2	37.8	46.0	54.2	51.9	52.7	39.3
Cost of operating trucks hauling produce 4/										
Fleet operation (cts./mile)	126.5	124.1	127.2	127.0	128.3	128.1	128.2	127.8	127.4	127.5

1/ Department of Labor, Bureau of Labor Statistics. 2/ Weekly average; from Association of American Railroads. 3/ Shipments on Illinois & Mississippi waterways. U.S. Corps of Engineers. 4/ Agricultural Marketing Service, USDA. 5/ Preliminary data for 1994. P = preliminary. -- = not available.

Information contact: T.Q. Hutchinson (202) 219-0353.

Indicators of Farm Productivity

Table 38.—Indexes of Farm Production, Input Use & Productivity ^{1/}

	1983	1984	1985	1986	1987	1988	1989	1990	1991 1/	1992 2/
	1982=100									
Farm output	84	101	105	102	104	97	108	112	112	---
All livestock products	102	100	103	103	106	108	110	112	114	---
Meat animals	102	100	99	99	100	102	102	102	105	---
Dairy products	103	99	105	106	105	107	108	109	109	---
Poultry & eggs	100	103	108	112	122	125	130	138	144	---
All crops	71	100	108	99	101	88	105	112	109	---
Feed crops	31	108	125	119	101	63	118	113	113	---
Food grains	84	93	87	77	77	70	77	99	76	---
Oil crops	75	87	96	88	88	71	87	87	92	---
Cotton and cotton seed	68	111	113	83	127	133	103	138	140	---
Tobacco	75	89	77	58	61	89	71	83	85	---
Vegetables and melons	97	103	109	110	117	111	114	123	122	---
Fruits and nuts	100	100	99	95	109	117	111	113	105	---
Other crops	101	110	111	120	132	137	141	141	148	---
Farm input	96	98	95	92	89	87	87	89	89	---
Farm labor	95	97	89	87	84	86	82	87	88	---
Farm real estate	92	97	97	94	91	90	91	90	89	---
Durable equipment	95	91	86	80	74	70	67	65	63	---
Energy	97	100	90	84	93	93	91	90	89	---
Agricultural chemicals	93	106	101	111	100	90	93	90	94	---
Feed, seed, and livestock purchases	99	101	106	105	101	98	99	105	104	---
Other purchased inputs	107	108	99	89	92	90	96	97	100	---
Farm output per unit of input	88	103	111	111	117	112	124	127	126	---
Output per unit of labor										
Farm 3/	88	104	118	117	123	114	131	129	127	---
Nonfarm 4/	102	105	106	108	109	110	109	109	110	114

1/ New data and methods were used to calculate the 1991 indexes and to revise them back to 1948. 2/ Preliminary. 3/ Economic Research Service.
4/ Bureau of Labor Statistics. --- = not available.

Information contact: Rachel Evans (202) 501-8382.

Food Supply & Use

Table 39.—Per Capita Consumption of Major Food Commodities^{1/}

Commodity	1985	1986	1987	1988	1989	1990	1991	1992	1993 P
Pounds									
Red meats 2/3/4/	124.9	122.2	117.4	119.5	115.9	112.3	111.9	114.1	111.9
Beef	74.6	74.4	69.6	68.6	65.4	64.0	63.1	62.8	61.5
Veal	1.5	1.6	1.3	1.1	1.0	0.9	0.8	0.8	0.8
Lamb & mutton	1.1	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Pork	47.7	45.2	45.6	48.8	48.4	46.4	46.9	49.5	48.7
Poultry 2/3/4/	45.2	47.1	50.7	51.7	53.6	56.0	58.0	60.0	61.1
Chicken	38.1	37.0	39.1	39.3	40.5	42.2	43.9	45.9	47.1
Turkey	9.1	10.2	11.6	12.4	13.1	13.8	14.1	14.2	14.1
Fish & shellfish 3/	15.0	15.4	16.1	15.1	15.8	15.0	14.8	14.7	14.9
Eggs 4/	32.9	32.6	32.7	31.6	30.4	30.1	30.0	30.2	30.1
Dairy products									
Cheese (excluding cottage) 2/5/	22.5	23.1	24.1	23.7	23.8	24.6	25.0	26.0	26.3
American	12.2	12.1	12.4	11.5	11.0	11.1	11.1	11.3	11.4
Italian	6.5	7.0	7.6	8.1	8.5	9.0	9.4	10.0	9.8
Other cheese 6/	3.9	4.0	4.1	4.1	4.3	4.5	4.6	4.7	5.0
Cottage cheese	4.1	4.1	3.9	3.9	3.6	3.4	3.3	3.1	2.9
Beverage milks 2/	229.7	228.6	226.5	222.4	224.3	221.7	221.2	218.5	214.3
Fluid whole milk 7/	123.4	116.5	111.9	105.7	97.6	90.4	87.4	84.1	80.5
Fluid lowfat milk 8/	93.7	98.6	100.6	100.6	108.5	108.4	109.9	109.4	107.0
Fluid skim milk	12.6	13.5	14.0	16.1	20.2	22.9	23.9	25.0	26.7
Fluid cream products 9/	6.7	7.0	7.1	7.1	7.3	7.1	7.3	7.5	7.6
Yogurt (excluding frozen)	4.1	4.4	4.4	4.7	4.3	4.1	4.2	4.3	4.4
Ice cream	18.1	18.4	18.4	17.3	16.1	15.8	16.3	16.3	16.1
Ice milk	6.9	7.2	7.4	8.0	8.4	7.7	7.4	7.1	6.9
Frozen yogurt	—	—	—	—	2.0	2.8	3.5	3.1	3.5
All dairy products, milk equivalent, milkfat basis 10/	593.7	591.5	601.2	582.9	585.2	569.7	565.3	564.9	572.1
Fats & oils — Total fat content	64.3	64.4	62.9	63.0	60.4	62.2	63.8	65.8	65.0
Butter & margarine (product weight)	15.7	16.0	15.2	14.8	14.6	15.3	14.8	15.2	15.3
Shortening	22.9	22.1	21.4	21.5	21.5	22.2	22.4	22.4	22.9
Lard & edible tallow (direct use)	3.7	3.5	2.7	2.6	2.1	2.5	3.1	4.1	3.8
Salad & cooking oils	23.5	24.2	25.4	25.8	24.0	24.2	25.2	25.6	24.3
Fresh fruits 11/	110.9	117.7	120.6	121.5	123.2	117.0	113.0	122.7	124.4
Canned fruit 12/	12.7	12.9	13.6	13.3	13.3	13.5	12.3	14.4	12.9
Dried fruit	3.0	2.8	3.1	3.3	3.2	3.4	3.1	2.8	3.2
Frozen fruit	3.0	3.4	3.6	3.3	3.7	3.5	3.4	3.6	3.5
Selected fruit juices 13/	65.3	66.4	68.1	68.1	63.6	56.2	64.7	59.2	71.2
Vegetables 11/									
Fresh	102.1	100.4	107.0	110.8	114.9	112.3	109.6	114.0	113.0
Canning	95.3	95.6	95.2	91.2	98.9	107.2	109.4	107.2	107.9
Freezing	19.6	18.6	19.3	21.2	20.9	20.5	21.8	21.0	22.8
Potatoes, all 11/	122.4	126.0	126.0	122.4	127.1	127.7	130.4	132.4	135.7
Sweet potatoes 11/	5.4	4.4	4.4	4.1	4.1	4.6	4.0	4.3	3.9
Peanuts (shelled)	6.3	6.4	6.4	6.9	7.0	6.0	6.5	6.2	6.0
Tree nuts (shelled)	2.5	2.2	2.2	2.3	2.4	2.6	2.3	2.4	2.3
Flour & cereal products 14/	156.1	162.0	170.7	175.4	175.2	183.3	185.8	187.0	189.2
Wheat flour	124.6	125.6	129.8	131.7	129.4	135.6	136.6	138.1	139.4
Rice (milled basis)	9.0	11.8	14.0	14.3	15.2	16.2	16.8	16.9	17.5
Caloric sweeteners 15/	131.2	129.5	133.5	134.8	136.7	139.6	140.6	143.8	147.1
Coffee (green bean equiv.)	10.5	10.5	10.2	9.8	10.1	10.3	10.4	10.3	10.0
Cocoa (chocolate liquor equiv.)	3.7	3.8	3.8	3.8	4.0	4.3	4.6	4.6	4.6

1/ In pounds, retail weight unless otherwise stated. Consumption normally represents total supply minus exports, nonfood use, & ending stocks. Calendar-year data except fresh citrus fruits, peanuts, tree nuts, & rice, which are on crop-year basis. 2/ Totals may not add due to rounding.

3/ Boneless, trimmed weight. Chicken series revised to exclude amount of ready-to-cook chicken going to pet food as well as some water leakage that occurs when chicken is cut up before packaging. 4/ Excludes shipments to the U.S. territories. 5/ Whole & part-skim milk cheese.

6/ Includes Swiss, Brick, Munster, cream, Neufchatel, Blue, Gorgonzola, Edam, & Gouda. 7/ Plain & flavored. 8/ Plain & flavored & buttermilk. 9/ Heavy cream, light cream, half & half, & sour cream & dip. 10/ Includes condensed & evaporated milk & dry milk products. 11/ Farm weight. 12/ Excludes pineapples & berries. 13/ Single strength equivalent. 14/ Includes rye, corn, oat, & barley products. Excludes quantities used in alcoholic beverages, corn sweeteners, & fuel. 15/ Dry weight equivalent. — = not available.

P = preliminary.

Information contact: Judy Jones Putnam (202) 219-0862.

The United States Department of Agriculture (USDA) prohibits discrimination in its programs on the basis of race, color, national origin, sex, religion, age, disability, political beliefs and marital or familial status. (Not all prohibited bases apply to all programs). Persons with disabilities who require alternative means for communication of program information (braille, large print, audiotape, etc.) should contact the USDA Office of Communications at (202) 720-5881 (voice) or (202) 720-7808 (TDD).

To file a complaint, write the Secretary of Agriculture, U.S. Department of Agriculture, Washington, D.C., 20250, or call (202) 720-7327 (voice) or (202) 720-1127 (TDD). USDA is an equal opportunity employer.

*The Agricultural Issues
Vital to You:*

Issues for the 1990's

ERS' unique series, *Issues for the 1990's* targets the most important agricultural issues you'll face in this decade. Now available under one cover, this series of 2-page factsheets streamlines research topics, and graphically presents the latest USDA data and analyses.

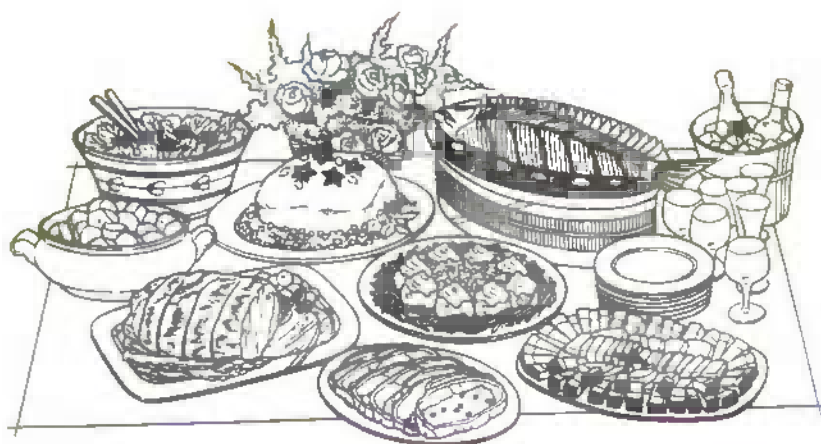
Seventy factsheets address the following issues:

Trade	Food and nutrition
Conservation	Rural economy
Commodity programs	Environment
Marketing	Technology

All this for only \$24.50. For foreign addresses (including Canada), the price is just \$31.00!

To order *Issues for the 1990's*, just dial the ERS-NASS order desk at 1-800-999-6779 and ask for AIB-664. Visa and MasterCard accepted. Outside the U.S., please call 1-800-834-0125.

*A buffet of choice information
on the food industry*



FoodReview

The Magazine of Food Economics

Up-to-the-minute trends in nutrition and consumption, marketing and processing, food retailing and service, food programs and policy, and expanding world markets for U.S. food products.

**In the next issue of
FoodReview:
Charting the Costs of Food Safety**
(Volume 17, Number 2)

With articles on:

- *policy and regulation—the road ahead*
- *milk and biotechnology—the rbST hormone*
- *foodborne illness—minimizing the incidence*
- *pesticide residues—addressing the issues*

Annual subscription \$17.00, 3 issues (foreign addresses \$21.25)
To order call toll-free 1-800-999-6779 (outside the U.S. & Canada 703-834-0125).

United States
Department of Agriculture
1301 New York Avenue, NW
Washington, DC 20005-4789

Official Business

Penalty for Private Use, \$300

FIRST CLASS
POSTAGE & FEES PAID
USDA
PERMIT NO. G-145

Moving? To change your address, send this sheet with label intact, showing new address to: EMS Information, Rm. 228, 1301 New York Avenue, NW, Washington, DC 20005-4789

Want to Subscribe?

Agricultural Outlook

- ☐ Yes! I want to Start my subscription.
☐ Yes! I want to Renew my subscription.

1 Year

Domestic: ☐ \$42.00
Foreign: ☐ \$52.50

Mailing address (for renewals, attach mailing label here)

Name		
Address		
City	State	Zip code
Daytime phone ()		

Use purchase orders, checks drawn on U.S. banks (and in U.S. funds), cashier's checks, or international money orders. Make payable to ERS-NASS. PLEASE DO NOT SEND CASH.

Payment method		Amount	Credit card number	
<input type="checkbox"/> Check	<input type="checkbox"/> Money order	\$ _____	_____	
<input type="checkbox"/> Purchase Order	<input type="checkbox"/> VISA			
<input type="checkbox"/> MasterCard				
		Credit card expiration date	Month	Year

Return this form to: ERS-NASS, 341 Victory Drive, Herndon, VA 22070.

**For fastest service, call our toll-free order desk 1-800-999-6779
in the U.S. and Canada; other areas please call 703-834-0125.
Or FAX this order form to 703-834-0110.**

Attention current *Agricultural Outlook* subscribers: The top line of your mailing label may contain renewal information. This expiration reminder appears in one of two formats: APR95 (expiration date is April 1995) or 1-AGO-2 (two issues of your subscription remain).